

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections titled "Risk Factors" and "Restated Financial Statements" on page no. 19 and 221 respectively of this Red Herring Prospectus to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

- Forward Integration;
- Cost effective production and timely fulfillment of orders;
- Scalable Business Model;
- Quality Focus and
- Experienced Promoter.

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 157 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

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

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

Financials Year/Period	Basic and Diluted EPS (in ₹)#	Weighted Average
Financial Year ending March 31, 2026	2.45	3
Financial Year ending March 31, 2025	3.30	2
Financial Year ending March 31, 2024	2.24	1
Weighted Average	2.70	

Notes:

- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
- Basic and diluted EPS are based on the Restated Financial Statement.
- The face value of each Equity Share is ₹ 10.
- Earnings per Share (₹) = Profit after tax excluding exceptional items attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares during the respective year/period.
- Earnings per Share calculations are in accordance with the notified Accounting Standard 20 'Earnings per share'

2. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●]/- to ₹ [●]/- per Equity Share

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
P/E ratio based on Basic EPS for Fiscal 2026	[●]	[●]
P/E ratio based on Diluted EPS for Fiscal 2026	[●]	[●]

*To be updated at Prospectus stage.

Note: Price/Earning (P/E) ratio is computed by dividing the price per share by earnings per share.

Industry Peer Group P/E Ratio

Particulars	Industry P/E (Number of times)
Industry	
Highest	22.11
Lowest	9.52
Average	15.81

3. Peer bench marking for working capital in the segment in which the company operates:

Particulars	FY 2023-24	FY 2024-25	FY 2025-26
Vivekanand Costspin Limited	1,362	2,923	3,542

Lagham Spintex Limited	15,817	20,028	19,455
Deepak Spinners Limited	9,713	8,807	9,260

4. Return on Net Worth (RoNW):

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2026	15.96	3
Financial Year ended March 31, 2025	26.09	2
Financial Year ended March 31, 2024	11.72	1
Weighted Average	18.63	

Notes:

- RoNW is computed as net profit after tax divided by the average net worth. Net worth has been computed as sum of share capital and reserves and surplus.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RONW x Weight) for each year / Total of weights
- The figures disclosed above are based on the Restated Financial Statements.

5. Net Asset Value per Equity Share:

Particulars	NAV per equity share (₹)
Financial Year ended March 31, 2024	13.75
Financial Year ended March 31, 2025	11.51
Financial Year ended March 31, 2026	17.81
After the Completion of the Issue:	
- At Floor Price	[●]
- At Cap Price	[●]
Issue Price per equity share	[●]

Notes:

- Net Asset Value per Equity Share is calculated as total equity divided by the number of equity shares outstanding during the respective year/period.
- The figures disclosed above are based on the Restated Financial Statement.

6. Comparison with Peer Group Companies:

Following is the comparison with our peer companies in India:

Name of the Company	For the year ended March 31, 2026						
	Face value (₹)	Revenue from operations (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on average net worth (%)	NAV per Equity Share (₹)
Vivekanand Cotspin Limited	10	40,801.01	2.45	2.45	[●]	15.96%	17.81
Peer Group							
Deepak Spinners limited	10	53,416.00	5.06	5.06	22.11	1.60%	319.10
Lagham Spintex Limited	10	60,498.05	8.14	8.14	9.52	11.23%	76.60

Source: All the financial information for listed industry peers mentioned above is on a Standalone basis sourced from the Annual Reports of the peer company uploaded on the BSE website for the year ended March 31, 2026.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the BSE website on May 29, 2026, divided by the Diluted EPS for the period ended March 31, 2026.
2. RoNW is computed as net profit after tax divided by the average net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the number of equity shares outstanding.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, Management Discussion and Analysis of Financial Position and Results of Operations” and “Restated Financial Statements” on page nos. 19, 157, 228 and 221, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned

in the “Risk Factors” and you may lose all or part of your investments.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals.

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 30, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three-year period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by SVJK and Associates, Chartered Accountants, by their certificate dated June 04, 2026.

Financial KPI of our Company:

Particulars	(₹ In Lakhs)		
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81
Total revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70%	3.99%	4.08%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33
PAT Margin (%)	0.90%	1.35%	0.94%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%
Debt To Equity Ratio	1.56	3.17	1.94
Current Ratio	1.09	1.12	0.79
Net Capital Turnover Ratio	12.62	17.08	19.06

Notes:

- As certified by SVJK and Associates, Chartered Accountants, by their certificate dated June 04, 2026. The Audit committee in its resolution dated May 30, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.
- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA is calculated as profit before tax plus depreciation & amortization expense, Exceptional Items and interest costs minus other income.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.
- Return on equity (RoE) is equal to profit after tax for the year divided by the average total equity during that period and is expressed as a percentage.
- Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus interest expenses divided by Capital Employed. *Capital Employed = Total Equity + Non-current borrowing + Current Borrowing + Deferred Tax liabilities - Deferred Tax Assets
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our average working capital (i.e., current assets less current liabilities).

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations (₹)	Revenue from Operations is used by our management to track the revenue profile of the

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

See “*Management Discussion and Analysis of Financial Position and Results of Operations*” on page 228 for the reconciliation and the manner of calculation of our key financial performance indicators

Operational KPI of our Company:

Details of Capacity Utilization

(Quantity in Metric Tonnes)

Product name	Existing	FY 23-24		FY 24-25		FY 25-26	
	Total Installed Capacity	Production	% of Utilization	Production	% of Utilization	Production	% of Utilization
Cotton Bales	8,000	6,556	81.94%	6,801	85.01%	7,425	92.82%
Cotton Yarn	4,551	3,703	81.38%	3,415	75.05%	3,051	67.05%

*As certified by SVJK and Associates, Chartered Accountants, by their certificate dated June 04, 2026. The Audit committee in its resolution dated May 30, 2026 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.

The Details of our top Customers and Suppliers are as follows:

(₹ in Lakhs)

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

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

(₹ in Lakhs)

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

Note that Name of Suppliers are not mentioned since Company has not received written consent from its Suppliers till filing of

Red Herring Prospectus to include their name in this Red Herring Prospectus.

a. GAAP Financial measures:

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Accounting Standards (“AS”) or Accounting Standards (“AS”) notified in accordance with Section 133 of the Companies Act, 2013, as amended (the “Act”). These measures are generally disclosed in the financial statements of the issuer company. Several GAAP Financial measures are given below:

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Revenue from operations	40,801.01	36,593.38	35,738.81
Profit after Tax	368.78	494.29	335.33
Cash Flows from Operating Activities	866.64	-371.96	2,440.04
Cash Flows from Investing Activities	-126.84	3.59	-1,543.89
Cash Flows from Financing Activities	-733.20	381.12	-988.79
Cash and Cash Equivalents	29.75	23.16	10.40

b. Non-GAAP Financial Measures:

Non-GAAP Financial measures are numerical measures of the issuer Company’s historical financial performance, financial position, or cash flows that:

Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or

Include amounts or are subject to adjustments that have the effect of including amounts that are excluded from the most directly comparable measures so calculated and presented.

Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. Several Non-GAAP Financial measures are given below:

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
EBITDA	1,509.31	1,458.92	1,459.46
EBITDA Margin	0.04	0.04	0.04
Profit after Tax Margin	0.90%	1.35%	0.94%
Net Worth	2,893.57	1,726.46	2,062.49

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021 has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Current Ratio	1.09	1.12	0.79
Debt-Equity Ratio	1.56	3.17	1.94
Return on Equity Ratio (in %)	15.96%	26.09%	11.72%
Net profit ratio (%)	0.90%	1.35%	0.94%
Return on Capital employed (%)	13.14%	12.16%	13.41%

c. Comparison of KPI with listed industry Peers:

Particulars	Vivekanand cotspin Limited			Deepak Spinners Limited			Lagnam Spintex limited		
	As of and for the Fiscal			As of and for the Fiscal			As of and for the Fiscal		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81	53,416.0	52,406.7	47,097.8	60,498.05	60,556.46	43,750.24
Total revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62	53,862.0	52,636.4	47,377.8	60,523.19	60,593.64	43,778.98
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46	2,010.0	504.9	2,207.4	6,683.69	6,530.44	4,507.86
EBITDA Margin (%)	3.70%	3.99%	4.08%	3.76%	0.96%	4.69%	11.05%	10.78%	10.30%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33	364.0	-1,019.0	130.3	1,438.98	1,285.47	1,457.32
PAT Margin (%)	0.90%	1.35%	0.94%	0.68%	-1.94%	0.28%	2.38%	2.12%	3.33%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%	1.60%	-4.43%	0.55%	11.23%	11.19%	13.38%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%	1.15%	-4.45%	1.83%	9.40%	9.23%	6.99%
Debt To Equity Ratio	1.56	3.17	1.94	0.13	0.16	0.18	2.64	3.21	0.05
Current Ratio	1.09	1.12	0.79	2.84	2.35	2.51	5.79	7.97	2.11
Net Capital Turnover Ratio	12.62	17.08	19.06	6.28	6.45	5.19	3.11	3.02	0.27

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA is calculated as profit before tax plus depreciation & amortization expense, exceptional items and interest costs minus other income.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.
- Return on equity (RoE) is equal to profit after tax for the year divided by the average total equity during that period and is expressed as a percentage.
- Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus interest expenses divided by Capital Employed.* Capital Employed = Total Equity + Non-current borrowing + Current Borrowing + Deferred Tax liabilities - Deferred Tax Assets
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our average working capital (i.e., current assets less current liabilities).
- All information relating to the listed industry peers has been sourced from their respective standalone audited financial statements, which are publicly available. As the disclosure is based solely on publicly available information of listed companies, no specific approval is required for inclusion of their names or such information in the RHP.

7. Weighted average cost of acquisition (“WACA”), floor price and cap price

a. Primary Transactions:

Price per share of Issuer Company based on primary / new issue of shares (equity/convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

Date of allotment	Nature of allotment	Number of equity shares Allotted (A)	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Total Consideration (₹ in lakhs) (B)
March 25, 2026	Right Issue	12,50,000	10.00	64.00	Cash	800.00
Weighted average cost of acquisition (WACA) (B/A)						64.00

b. Secondary Acquisition:

There have been no secondary sale/transfers or acquisition of any Equity Shares or convertible securities, where the Promoters, members of the Promoter Group, or Shareholders having the right to nominate Directors to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c. Except as disclosed below there were no such other primary issuances / secondary transactions except as provided in (a) and (b) to be informed under this section based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions.

Date of allotment/T ransaction	Nature of allotment	Number of equity shares Allotted/T ransferred	Name of Transfer or	Name of Transfere e	Face value per equity share (₹)	Issue price per equity share (₹)	Nat ure of con side ration	Total Consider ation (₹ in lakhs)
August 02 2024	Subscriber s to MOA	1,50,00,000	-	-	10	10.00	Cas h	1,500.00
September 30, 2024	Transfer of shares	100	Vishnubh ai	Preet	10	10.95	Cas h	0.01
		100	Bharatbha i	Ranjanabe n	10	10.95	Cas h	0.01
Weighted average cost of acquisition (WACA)								10.00

Weighted average cost of acquisition (WACA) compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued	64.00	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoter / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	NA	[●]	[●]
Except as disclosed below there were no such other primary issuances / secondary transactions except as provided in (a) and (b) to be informed under this section based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions.	10.00	[●]	[●]

1. Justification for Basis of Issue Price

Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for the and financial year ended on March 31, 2026, 2025, and March 31, 2024.

**To be included on finalization of Price Band.*

2. The Issue Price is [●] times of the Face Value of the Equity Shares

The Issue Price of ₹ [●]/- has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management Discussion and Analysis of Financial Position and Results of Operations*” and “*Restated Financial Statements*” on pages 19, 157, 228 and 221, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.



(Please scan this QR Code to view the RHP and the Abridged Prospectus)

Abridged Prospectus
Dated: September 10, 2026
Please read section 26 and 32 of the Companies Act, 2013
100% Book Built Offer



VIVEKANAND COTSPIN LIMITED
(Formerly known as Vivekanand Cotspin Private Limited)
Corporate Identification Number: U13111GJ2024PLC154066

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana - 382715, Gujarat, India	NA	Ankit Sanchiher, Company Secretary and Compliance Officer	Tel. No.: +91 9227825102 E-mail: cs@vcottonexport.com	www.vcottonexport.com
PROMOTERS OF THE COMPANY: NIRAV BHARATBHAI PATEL, JASMIN VISHNUBHAI PATEL, BHARATBHAI PRAHALADBHAI PATEL, VISHNUBHAI PRAHALADDAS PATEL, GAUTAM BHARATKUMAR PATEL, B P PATEL FAMILY TRUST, V P PATEL FAMILY TRUST, RANJANBEN BHARATBHAI PATEL AND KAPILABEN VISHNUBHAI PATEL				
DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue	60,00,000 Equity Shares of face value of ₹ 10/- each ("Equity Shares") aggregating to ₹ [●] Lakhs ("Issue")	Nil	[●] Lakhs	The Issue is being made pursuant to Regulation 229(2) and 253(1) of SEBI (ICDR) Regulations, 2018 as amended
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES				
RISK IN RELATION TO THE FIRST ISSUE				
The face value of the Equity Shares is ₹10/- each. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 110 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.				
GENERAL RISKS				
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to chapter titled "Risk Factors" beginning on page 19 of the Red Herring Prospectus.				
ISSUER'S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in the Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes the Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
LISTING				
The Equity Shares Issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an In-Principle Approval letter dated August 05, 2026 from BSE Limited ("BSE") for using its name in this offer document for listing our shares on the SME Platform of BSE Limited ("BSE SME"). For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").				
BOOK RUNNING LEAD MANAGER TO THE OFFER				
 swastika INVESTMENT & FINANCIAL SERVICES SWASTIKA INVESTMART LIMITED		Contact Person: Mohit R. Goyal Tel. No.: +91 0731 664 4244 Email: mb@swastika.co.in		
REGISTRAR TO THE OFFER				
 MUFG MUFG INTIME INDIA PRIVATE LIMITED <i>(Formerly known as Link Intime India Private Limited)</i>		Contact Person: Mr. Shanti Gopalkrishnan Tel. No.: +91 810 811 4949 Email: vivekanand.smeipo@in.mpms.mufg.com		
BID/ISSUE PROGRAMME				
ANCHOR INVESTOR PORTION ISSUE OPENS/CLOSES ON ⁽¹⁾ :			September 18, 2026*	
BID/ISSUE OPENS ON ⁽¹⁾			September 21, 2026	
BID/ISSUE CLOSES ON ^{(2), (3) & (4)}			September 23, 2026#/(1)	

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

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

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

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

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS

The following is a general summary of certain disclosures in the Red Herring Prospectus and the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Red Herring Prospectus 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 the Red Herring Prospectus, which is available at the website of the SME Platform of the BSE at www.bsesme.com, the Company at www.vcottonexport.com and the BRLM at www.swastika.co.in.

References below to page numbers are to the page numbers of the Red Herring Prospectus dated September 10, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Red Herring Prospectus.

1. Summary of the Primary Business

Company Overview: Our company is engaged in the business of cotton processing and yarn manufacturing, comprising ginning of raw cotton (kapas) into cotton bales and cotton seed, and spinning of cotton bales into cotton yarn. In addition to its manufacturing activities, the Company also undertakes trading of cotton bales and cotton yarn in the ordinary course of business to meet customer requirements and optimize business opportunities.

Product/ Service Offering: Our product portfolio comprises a range of cotton-based products manufactured at our in-house production facilities, including cotton bales, cotton yarn, cotton yarn waste, and cotton seed, catering to the diverse requirements of the textile and allied industries.

Description of industries served and typical customer/ clients of the Company: The Company serves a diverse customer base across the textile industry, including fabric manufacturers, textile producers, distributors, corporate buyers, and export markets. The demand for the Company's products varies based on industry requirements, geographical markets, and product specifications. By maintaining close coordination with customers, suppliers, and logistics partners, the Company ensures efficient production, timely delivery, and cost-effective distribution while catering to evolving market needs.

Segment reporting details and their revenue contribution for the reporting periods in a tabular form: The table below sets forth our business Product-wise revenue break-up for the financial years March 31, 2026, 2025 and 2024 based on the Restated Financial Statements:

(₹ in lakhs, except stated in %)

Particulars	For the year ended on							
	March 31, 2026	% of Revenue from operations	March 31, 2025	% of Revenue from operations	04 th Aug, 2024	% of Revenue from operations	March 31, 2024	% of Revenue from operations
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.56
Cotton Yarn Waste	930.30	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54
Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31
Total	40,397.70	100.00	28,900.01	100.00	7,467.46	100.00	35,387.91	100.00

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

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026.

Geographies Served: Our Company has a domestic and international presence with well-distributed market coverage across key geographies including Gujarat, Haryana, Madhya Pradesh, and Maharashtra etc in India, as well as Bangladesh, Portugal and China in international markets.

Customers Served: Revenue concentration in terms of top 1, 5 and 10 clients:

Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025		For the year ended 31 March, 2024	
	Amount	%	Amount	%	Amount	%
Revenue from top 1 customer as % to revenue from operations	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84
Revenue from top 5 customer as % to revenue from operations	14,080.91	34.86	26,166.93	71.95	27,914.40	78.88
Revenue from top 10 customer as % to revenue from operations	20,676.99	51.18	30,215.41	83.08	31,400.01	88.73

Key Manufacturing Facilities: Our registered office and manufacturing facility are located at S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujrat, India. The company has established a production capacity of approximately 4,551 MT of Cotton Yarn and 8,000 MT of Cotton Bales annually. Our plant is equipped with plant and machinery.

Our Key business strengths include forward integration, cost effective production and timely fulfillment of orders, scalable business model, Quality Focus, Experienced Promoters. Our business strategies include Entering into new geographies, Improving operational efficiencies, Leveraging our skills and relationship with our Suppliers and Customers and Optimal Utilization of Resources.

For further details, please refer to the chapter titled "Business Overview" beginning on page 157 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.

2. Summary of the Industry

The Indian textile industry encompasses the production of fibres, yarns, fabrics, and finished textile products such as garments and home furnishings, covering the entire value chain from raw material processing to final consumption. The sector contributes nearly 2.3% to India's Gross Domestic Product (GDP), accounts for approximately 13% of overall industrial production, and contributes around 12% to

	total export earnings. India’s textile sector has developed strong manufacturing capabilities, enabling it to cater to both growing domestic demand and international markets.																																											
	For further details, please refer to the chapter titled “ <i>Industry Overview</i> ” beginning on page 124 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.																																											
3.	Promoters of the Issuer																																											
	<table><tr><th>S. No.</th><th>Name of the Promoter</th><th>Individual/Corporate</th><th>Experience & Educational Qualification</th></tr><tr><td>1.</td><td>Mr. Nirav Bharatbhai Patel</td><td>Individual</td><td>Nirav Bharatbhai Patel, aged 40 years, is the Promoter and the Chairman and Managing Director of our company. For a complete profile of Nirav Bharatbhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Our Management</i>” beginning on page 194 of the Red Herring Prospectus.</td></tr><tr><td>2.</td><td>Mr. Jasmin Vishnubhai Patel</td><td>Individual</td><td>Jasmin Vishnubhai Patel, aged 33 years, is the Promoter and the Whole Time Director of our company. For a complete profile of Jasmin Vishnubhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Our Management</i>” beginning on page 194 of the Red Herring Prospectus.</td></tr><tr><td>3.</td><td>Mr. Bharatbhai Prahaladbhai Patel</td><td>Individual</td><td>Bharatbhai Prahaladbhai Patel, aged 63 years, is the promoter and Director of our company. 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For a complete profile of Gautam Bharatkumar Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Promoter and Promoter Group</i>” beginning on page 194 of the Red Herring Prospectus.</td></tr><tr><td>6.</td><td>B P Patel Family Trust*</td><td>-</td><td>-</td></tr><tr><td>7.</td><td>V P Patel Family Trust*</td><td>-</td><td>-</td></tr><tr><td>8.</td><td>Ranjanben Bharatbhai Patel</td><td>Individual</td><td>Ranjanben Bharatbhai Patel, aged 62 years, is the promoter of our company. For a complete profile of Ranjanben Bharatbhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Promoter and Promoter Group</i>” beginning on page 194 of the Red Herring Prospectus.</td></tr><tr><td>9.</td><td>Kapilaben Vishnubhai Patel</td><td>Individual</td><td>Kapilaben Vishnubhai Patel, aged 55 years, is the promoter of our company. For a complete profile of Kapilaben Vishnubhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Promoter and Promoter Group</i>” beginning on page 194 of the Red Herring Prospectus.</td></tr></table>	S. No.	Name of the Promoter	Individual/Corporate	Experience & Educational Qualification	1.	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Mr. Gautam Bharatkumar Patel	Individual	Gautam Bharatkumar Patel, aged 42 years, is the promoter of our company. For a complete profile of Gautam Bharatkumar Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “ <i>Promoter and Promoter Group</i> ” beginning on page 194 of the Red Herring Prospectus.	6.	B P Patel Family Trust*	-	-	7.	V P Patel Family Trust*	-	-	8.	Ranjanben Bharatbhai Patel	Individual	Ranjanben Bharatbhai Patel, aged 62 years, is the promoter of our company. For a complete profile of Ranjanben Bharatbhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “ <i>Promoter and Promoter Group</i> ” beginning on page 194 of the Red Herring Prospectus.	9.	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		In order to support its existing manufacturing operations and improve production processes, the Company proposes to utilize a portion of the Net Proceeds towards capital expenditure for upgradation of plant and machinery at its existing manufacturing facilities. The proposed upgradation is intended to improve operational efficiencies, enhance process integration, reduce manual intervention in certain stages of production and support the manufacture of value-added yarn products in accordance with customer and industry requirements. The proposed investment primarily comprises procurement and installation of technologically upgraded spinning machinery and related systems within the existing Spinning setup. The proposed machinery is expected to assist the Company in improving process reliability, maintaining product quality standards and optimising production efficiency across various stages of the spinning process. The proposed machinery includes the following: 1. Comber Machine: The Company proposes to install a Comber machine for the manufacture of combed yarn. The combing process is undertaken after carding and before spinning, wherein short fibres, neps and impurities are removed from cotton fibres. The process results in improved fibre alignment and enables the production of finer and relatively uniform yarn. Combed yarn is generally used in the manufacture of higher-count and value-added textile products. 2. Compact Spinning System: The Company also proposes to install a Compact Spinning System in its existing spinning setup. The compact spinning attachment facilitates improved fibre control and alignment during the spinning process by condensing fibres prior to twisting. This process may assist in reducing yarn hairiness, improving yarn strength and enhancing yarn uniformity. The installation of the compact spinning system is intended to support the production of compact yarn used in value-added textile applications. 3. Link Corner System/ Autoconer Winding System: The Company proposes to install a Link Corner System comprising 44 drums in the spinning section. The system is intended to facilitate automatic joining of yarn during the bobbin winding process and reduce manual handling during operations. The proposed installation may assist in reducing yarn breakage, minimizing wastage and improving operational continuity during the winding process. The Company proposes to utilize an amount aggregating up to ₹ 526.89 Lakhs from the Net Proceeds towards funding the capital expenditure for procurement, installation and commissioning of the aforesaid plant and machinery at its existing manufacturing facilities.
	2.	Funding Working Capital Requirement of our Company Our business is working capital intensive. In the ordinary course of our business, we meet a substantial portion of our working capital requirements through internal accruals and borrowings from banks and financial institutions, including working capital facilities and short-term loans. As on the date of the Red Herring Prospectus, the Company has sanctioned fund-based working capital limits aggregating to ₹ 4,800.00 Lakhs from banks and financial institutions. As of April 30, 2026, the amount outstanding under the fund-based working capital facilities was ₹ 4,135.08 Lakhs. We propose to utilize ₹ 1,100.00 Lakhs from the Net Proceeds towards funding the working capital requirements of the Company to support the growth of our business during the financial years ending, March 31, 2027 and March 31, 2028.
	3.	General corporate purposes Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such utilization not exceeding 15% of the Gross Proceeds of the Issue or ₹ 1,000 Lakhs whichever is lower, in compliance with Regulation 230(2) of the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following: a) strategic initiatives; b) strengthening of marketing activities; c) ongoing general corporate exigencies; d) meeting fund requirements in the ordinary course of its business; e) meeting expenses incurred in the ordinary course of business; f) any other purposes as approved by the Board of Directors subject to compliance with the necessary regulatory provisions. The allocation or quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses, such surplus amount shall be utilized towards other Objects or for General Corporate Purpose in such a manner that the amount for general corporate purposes, shall not exceed 15% or Rs. 1,000 lakhs, whichever is lower, of the amount raised by our Company through this Issue.

	For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 97 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.							
5.	Pre and post issue shareholding of Promoter(s), members of the Promoter Group and top 10 shareholders							
	S. No.	Pre-Issue shareholding as at the date of Advertisement			Post-Issue shareholding as at Allotment			
		Shareholders	Number of Equity Shares	Percentage (%) holding*	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
					Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
	Promoters							
	1.	Nirav Bharatbhai Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
	2.	Jasmin Vishnubhai Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
	3.	Gautam Bharatkumar Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
	4.	Bharatbhai Prahaladbhai Patel	32,49,784	20.00	[●]	[●]	[●]	[●]
	5.	Vishnubhai Prahaladdas Patel	32,49,784	20.00	[●]	[●]	[●]	[●]
	6.	B P Patel Family Trust	108	Negligible	[●]	[●]	[●]	[●]
7.	V P Patel Family Trust	108	Negligible	[●]	[●]	[●]	[●]	
8.	Ranjanben Bharatbhai Patel	108	Negligible	[●]	[●]	[●]	[●]	
Total (A)		1,62,49,892	100.00	[●]	[●]	[●]	[●]	
Promoter Group								
1.	Preet Vishnubhai Patel	108	Negligible	[●]	[●]	[●]	[●]	
Total (B)		108	Negligible	[●]	[●]	[●]	[●]	
Additional top 10 shareholders								
Total (C)		-	-	[●]	[●]	[●]	[●]	
Total (A+B+C)		1,62,50,000	100.00	[●]	[●]	[●]	[●]	
Notes: * Rounded off; **There are no additional public shareholders other than promoters; (1) There is One (1) Promoter Group Shareholder, i.e., Preet Vishnubhai Patel; (2) Includes all options that have been exercised until date of Red Herring Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Red Herring Prospectus; (3) Based on the Issue price of ₹[●]/- and subject to finalization of the basis of allotment.								
For detailed information on the “Capital Structure”, please refer on page 84 of this Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.								
6.	Summary of Restated Financial Information							
The table below sets forth a summary of the Restated Financial Statements for the financial years ended March 31, 2026, 2025 and 2024: (₹ in Lakhs)								
Particulars		For Fiscal Year						
		March 31, 2026	March 31, 2025	Aug 04, 2024	March 31, 2024			
Share Capital		1,625.00	1,500.00	1,500.00	1,500.00			
Net Worth		2,893.57	1,726.46	2,345.16	2,062.49			
Revenue from operations		40,801.01	29,046.69	7,546.69	35,738.81			
Profit Before Tax from continuing operations		512.87	322.90	134.84	524.24			
Profit after Tax		368.78	407.38	86.90	335.33			
Basic Earnings Per Share		2.45	2.72	0.58	2.24			
Diluted Earnings Per Share		2.45	2.72	0.58	2.24			
Net Asset Value per Equity Shares		17.81	11.51	15.63	13.75			
Total Borrowings (as per Restated)		4,499.52	5,475.91	3,256.11	4,001.57			
Notes: 1) The Basic and Diluted earnings per share and Net Asset value per share is calculated taking only profit after tax from continuing operations which are attributable to the owners of the Company.								
For further details, please refer to the section titled “Restated Financial Statements” beginning on page 221 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.								
7.	Summary of Key Performance Indicators							
The table set forth below are certain key financial metrics and operational metrics for the periods indicated:								

Particulars	As of and for the Fiscal		
	2026	2025	2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81
Total Revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70%	3.99%	4.08%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33
PAT Margin (%)	0.90%	1.35%	0.94%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%
Debt To Equity Ratio	1.56	3.17	1.94
Current Ratio	1.09	1.12	0.79
Net Capital Turnover Ratio	12.62	17.08	19.06

As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026.

For further details, please refer to the chapter titled “Basis for Issue Price” beginning on page 110 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.

8. Risk Factors

The following are the top 10 internal risk factors as disclosed in the Draft Red Herring Prospectus:

1. We have engaged in related party transactions and may continue to do so in the future. A significant portion of our sales and purchase transactions are with related parties.
2. Our Company enters into significant business transactions with certain related parties to leverage their specialized capabilities, export infrastructure, processing facilities and established customer relationships. Any disruption, modification or termination of such arrangements, or our inability to replace them on commercially comparable terms, could adversely affect our business, operations and financial condition.
3. Under-utilization of our manufacturing capacities and an inability to effectively utilize our existing manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.
4. There may be potential conflicts of interest if our promoter group entities and group companies get involved in any business activities that compete with or are in the same line of activity as our business operations.
5. Any fluctuations in cotton prices and availability may pose a significant risk to the Company’s cost of production and profitability.
6. Dependence on seasonal cotton production may disrupt raw material procurement, impacting manufacturing continuity, production schedules, and profitability.
7. There are certain discrepancies / errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.
8. The Chairman & Managing Director of our Company, Nirav Bharatbhai Patel has been director of the Company which was voluntary Struck-Off.
9. A portion of our gross margins is attributable to transactions with related parties, and any reduction or discontinuation of such transactions could adversely affect our profitability and results of operations.
10. There is intense competition in the cotton processing and yarn manufacturing industry, which may affect market position and profitability.

For further details, please refer to the chapter titled “Risk Factor” beginning on page 19 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.

9. The details of weighted average cost of acquisition of shares for Promoter

S. No.	Name of Promoters	No. of equity shares held	Average cost of acquisition (in ₹ per equity share)
1.	Nirav Bharatbhai Patel	32,50,000	14.15
2.	Jasmin Vishnubhai Patel	32,50,000	14.15
3.	Bharatbhai Prahaladbhai Patel	32,49,784	14.15
4.	Vishnubhai Prahaladdas Patel	32,49,784	14.15
5.	Gautam Bharatkumar Patel	32,50,000	14.15
6.	B P Patel Family Trust	108	4.74
7.	V P Patel Family Trust	108	4.74
8.	Ranjanben Bharatbhai Patel	108	14.88

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

For further details, please refer to the chapter titled “Capital Structure” beginning on page 84 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.

10. Board of Directors and Key Managerial Personnel

S. No.	Name of Board Director and Key Managerial Personnel	Designation
1.	Nirav Bharatbhai Patel	Chairman and Managing Director
2.	Jasmin Vishnubhai Patel	Whole Time Director
3.	Bharatbhai Prahaladbhai Patel	Non-Executive Director
4.	Vishnubhai Prahladdas Patel	Non-Executive Director

	5.	Rohit Khandelwal	Independent Director															
	6.	Bhavika Sanghani	Independent Director															
	7.	Ankit Sanchiher	Company Secretary and Compliance Officer															
	8.	Irfan Abdulbhai Mansuri	Chief Financial Officer (CFO)															
For further details, please refer to the chapter titled “ <i>Our Management</i> ” beginning on page 194 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.																		
11.	Auditor Qualifications																	
	The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditor. For further details, please refer to the chapter titled “ <i>Restated Financial Statements</i> ” beginning on page 221 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.																	
12.	Summary table of Outstanding Litigations																	
	A summary of outstanding tax proceedings involving our Company, Directors, Group Companies, Subsidiary and Promoters as on the date of this Draft Red Herring Prospectus is provided below:																	
	LITIGATIONS AGAINST OUR COMPANY																	
	<table><tr><th>Nature of Cases</th><th>No. of Outstanding Cases</th><th>Amount involved (In Lakhs)</th></tr><tr><td>Criminal Complaints</td><td>--</td><td>--</td></tr><tr><td>Statutory/ Regulatory Authorities</td><td>--</td><td>--</td></tr><tr><td>Taxation Matters</td><td>4</td><td>55.63</td></tr><tr><td>Other Litigation</td><td>--</td><td>--</td></tr></table>			Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)	Criminal Complaints	--	--	Statutory/ Regulatory Authorities	--	--	Taxation Matters	4	55.63	Other Litigation	--	--
Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)																
Criminal Complaints	--	--																
Statutory/ Regulatory Authorities	--	--																
Taxation Matters	4	55.63																
Other Litigation	--	--																
	LITIGATIONS AGAINST OUR DIRECTORS AND / OR PROMOTERS																	
	<table><tr><th>Nature of Cases</th><th>No. of Outstanding Cases</th><th>Amount involved (In Lakhs)</th></tr><tr><td>Criminal Complaints</td><td>--</td><td>--</td></tr><tr><td>Statutory/ Regulatory Authorities</td><td>--</td><td>--</td></tr><tr><td>Taxation Matters</td><td>5*</td><td>0.02</td></tr><tr><td>Other Litigation</td><td>--</td><td>--</td></tr></table>			Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)	Criminal Complaints	--	--	Statutory/ Regulatory Authorities	--	--	Taxation Matters	5*	0.02	Other Litigation	--	--
Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)																
Criminal Complaints	--	--																
Statutory/ Regulatory Authorities	--	--																
Taxation Matters	5*	0.02																
Other Litigation	--	--																
	* Amount in respect of 4 matters is not Unascertained																	
	LITIGATIONS BY OUR GROUP COMPANIES																	
	<table><tr><th>Nature of Cases</th><th>No. of Outstanding Cases</th><th>Amount involved (In Lakhs)</th></tr><tr><td>Criminal Complaints</td><td>6</td><td>138.22</td></tr><tr><td>Statutory/ Regulatory Authorities</td><td>--</td><td>--</td></tr><tr><td>Taxation Matters</td><td>--</td><td>--</td></tr><tr><td>Other Litigation</td><td>--</td><td>--</td></tr></table>			Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)	Criminal Complaints	6	138.22	Statutory/ Regulatory Authorities	--	--	Taxation Matters	--	--	Other Litigation	--	--
Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)																
Criminal Complaints	6	138.22																
Statutory/ Regulatory Authorities	--	--																
Taxation Matters	--	--																
Other Litigation	--	--																
	LITIGATIONS AGAINST OUR GROUP COMPANIES																	
	<table><tr><th>Nature of Cases</th><th>No of Outstanding Cases</th><th>Amount involved (In Lakhs)</th></tr><tr><td>Criminal Complaints</td><td>--</td><td>--</td></tr><tr><td>Statutory/ Regulatory Authorities</td><td>--</td><td>--</td></tr><tr><td>Taxation Matters</td><td>13</td><td>808.36</td></tr><tr><td>Other Litigation</td><td>1</td><td>8.35</td></tr></table>			Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)	Criminal Complaints	--	--	Statutory/ Regulatory Authorities	--	--	Taxation Matters	13	808.36	Other Litigation	1	8.35
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Criminal Complaints	--	--																
Statutory/ Regulatory Authorities	--	--																
Taxation Matters	13	808.36																
Other Litigation	1	8.35																
For further details, please refer to the chapter titled “ <i>Outstanding Litigation and Material Developments</i> ” beginning on page 238 of the Red Herring Prospectus filed by our Company in the SME Platform of the BSE on September 10, 2026.																		

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 outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where such offers and sales occur. There will be no public offering of the Equity Shares in the United States.



VIVEKANAND COTSPIN LIMITED
(Formerly known as Vivekanand Cotspin Private Limited)
CIN: U13111GJ2024PLC154066

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

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

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

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

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUE

This General Information Document ("GID") highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013, Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Applicants shall not construe the contents of this General Information Document as legal advice and shall consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants shall rely on their own examination of the Issuer and the Issue and shall carefully read the Red Herring Prospectus before Investing in the Issue. 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Individual Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by individual bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three month or launch of five main board public issues, whichever is later ("UPI Phase II"). SEBI has vide its circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of Phase II till March 31, 2020. On March 30, 2020 vide circular number SEBI/HO/CFD/DIL2/CIR/P/2 SEBI has further extended UPI Phase II timeline till further notice. Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days

from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The processing fees for applications made by Individual Investors (Who applies for minimum application) 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/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/ P/2021/2480/1/M dated March 16, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012, applications made using the ASBA facility in initial public issue (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

Merchant Banker shall be the nodal entity for any Issue arising out of public issuance process.

In terms of regulation 23(5) and regulation 271 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running Lead Managers shall continue to coordinate with intermediaries involved in the said process. For delayed unblock applications, investor must be compensated at a uniform rate of Rs. 100/- per day for the entire duration of delay since 'T+2'. Merchant banker will fix the liability on the intermediary responsible for the delay in unblocking.

Important Note: This General Information Document relates to the Public Issue of Equity Shares of ₹ 10/- each fully paid of Vivkanand Cotspin Limited ("Company") for Face Value of ₹10/- 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") in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Issue being made pursuant to Regulation 229(2) of the Securities and Exchange Board of India (ICDR) Regulations, 2018 ("SEBI ICDR Regulations"). Accordingly, the Investors are advised to refer to the particulars of this GID in context of Issue being made under Chapter IX of the SEBI (ICDR) Regulations, 2018.

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SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issue undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issue” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/ or for subscribing to securities in Issue and the relevant information about the Issuer undertaking the Issue are set out in Red Herring Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP/Prospectus, the Bid cum Application Form/ Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Red Herring Prospectus, the disclosures in the Red Herring Prospectus shall prevail. The Red Herring Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the Book Running Lead Manager to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section “*Glossary and Abbreviations*”.

SECTION 2: BRIEF INTRODUCTION TO IPO ON SME EXCHANGE

2.1. Initial Public Offer (IPO)

An IPO means an Issue of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO under Chapter IX of the SEBI (ICDR) Regulations, 2018, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of Regulations 228, 229 and 230 of the SEBI (ICDR) Regulations, 2018. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The present Issue being made under Regulation 229(2) of the SEBI (ICDR) Regulations, 2018.

2.2. Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI (ICDR) Regulations, 2018, the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Chapter IX of the SEBI (ICDR) Regulations, 2018:

- a) In accordance with regulation 260 of the SEBI (ICDR) Regulations, 2018, this Offer will be 100% underwritten and that the BRLM will underwrite at least 15% of the total Issue size. For further details pertaining to underwriting by BRLM and underwriter, please refer to chapter titled “General Information” beginning on page 72 of the Red Herring Prospectus.
- b) In accordance with Regulation 268 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, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same.
- c) In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we have submitted Offer Document with SEBI however SEBI does issue any observations on offer Document. We shall also ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations to Stock Exchange, Securities Exchange Board of India and the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issued in the Issue. For further details of the market making arrangement, see chapter titled “General Information” beginning on page 72 of the Red Herring Prospectus.

Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited (“BSE SME”) for listing of our Equity Shares. The point wise Criteria for SME Platform of BSE Limited (“BSE SME”) and compliance thereof are given hereunder:

1. INCORPORATION

The Company should be incorporated under the Companies Act, 1956/2013 in India.

Our Company was incorporated on August 5, 2024, with the Registrar of Companies, Central Registration Center under the Companies Act, 2013 in India.

2. POST ISSUE PAID UP CAPITAL

The post issued paid-up capital of the Company (face value) shall not be more than ₹ 25.00 Crore.

The present paid-up capital of our Company is ₹ 1,625.00 Lakhs and we are proposing issue of 60,00,000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●]/- per Equity Share including securities premium of ₹ [●]/- per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ [●] Lakhs which shall not be more than ₹25.00 Crore.

3. NET WORTH

Our Net Worth is atleast ₹ 1 crore for 2 preceding full financial years. The Company has a positive Net worth of ₹ 2,893.57 Lakhs, ₹ 1,726.46 Lakhs and ₹ 2,062.49 Lakhs as per the restated financial Statements as on March 31, 2026, March 31, 2025 and March 31, 2024 respectively. Therefore, our company satisfies the criteria of having Net worth of atleast ₹100.00 Lakhs for 2 preceding full financial years.

(₹ in lakhs)			
Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Paid-up share capital	1,625.00	1,500.00	1,500.00
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	1,268.57	226.46	562.49
Net worth	2,893.57	1,726.46	2,062.49

4. NET TANGIBLE ASSETS

The Net Tangible Assets based on Restated Financial Statement of our company as on the last preceding (full) financial year i.e. March 31, 2026 is ₹2,888.24 Lakhs. Therefore, our company satisfies the criteria for Net Tangible Asset of ₹300.00 Lakhs in last preceding (full) financial year.

(₹ in lakhs)	
Particulars	March 31, 2026
Net Worth	2,893.57
Less: Intangible Assets	5.33
Net Tangible Assets	2,888.24

“Net tangible assets” mean the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India.

5. TRACK RECORD

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

6. EARNINGS BEFORE INTEREST, DEPRICIATION AND TAX

The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive. Our Company satisfies the criteria of track record which are given hereunder based on Restated Consolidated Financial Statement.

(₹ in lakhs)			
Particulars	March 31, 2026	March 31, 2025	March 31,2024
Net Profit before Tax	512.87	457.74	524.24
Add: Finance Cost	507.68	413.85	415.85
Add: Depreciation	570.16	599.31	557.99
Add: Exceptional item	-	15.91	
Less: Other Income	131.14	57.87	62.81
EBITDA	1,459.57	1,428.94	1,435.27

7. LEVERAGE RATIO

The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2026 was 1.56:1 which is less than the limit

of 3:1. Therefore, our company satisfies the criteria of having leverage ratio of less than 3:1.

(₹ in lakhs)

Particulars	March 31, 2026
Long Term Borrowings	1,258.69
Short Term Borrowings	3,240.83
Total Debt (A)	4,499.52
Paid-up Share Capital	1,625.00
Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account	1,268.57
Net worth (B)	2,893.57
Debt-Equity Ratio (A / B)	1.56

8. DISCIPLINARY ACTION

No regulatory action of suspension of trading has been taken against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

The Promoter(s) or directors are not promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

Director should not be disqualified/debarred by any of the Regulatory Authority.

9. DEFAULT

There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our company, promoters/ promoting company(ies), Subsidiary Companies.

10. NAME CHANGE

Name change has happened within the last one year and at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name.

The activity suggesting name has contributed to at least 50% of the revenue, calculated on a restated and consolidated basis, for the preceding one full financial year.

11. OTHER REQUIREMENTS:

- i. The Company has a functional website – www.vcottonexport.com;
- ii. 100% of the Promoter's shareholding in the Company is in Dematerialised form;
- iii. It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories. To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
 - Tripartite agreement dated January 31, 2025, with CDSL, our Company and Registrar to the Issue;
 - Tripartite agreement dated January 25, 2025, with NSDL, our Company and Registrar to the Issue;
 - The Company's shares bear an ISIN: INE1JJP01018.
- iv. There has not been any change in the promoters in preceding one year from date of filing the application to BSE for listing under SME segment;
- v. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval;
- vi. The net worth computation will be as per the definition given in SEBI (ICDR) Regulations, 2018;
- vii. We confirm that the company has not been referred to National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016;
- viii. There is no winding up petition against the company, which has been admitted by the court.

2.3. Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 105% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-Issue and price band advertisement was given at least two Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. The present Issue is Book Building Issue.

2.4. Issue Period

The Issue may be kept open for a minimum of three Working Days subject to the Bid/ Issue Period not exceeding 10 Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Red Herring Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

2.5. Migration to Main Board

An issuer, whose specified securities are listed on a SME Exchange of BSE Limited and whose post-issue paid-up capital is more than ten crore rupees and up to twenty-five crore rupees, may migrate its specified securities to the main board of the stock exchanges if its shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if such issuer fulfils the eligibility criteria for listing laid down by the Main Board:

S. No.	Details	Unified Eligibility Criteria
1.	Paid up capital	At least 10 Crores
2.	Market Capitalisation	Average of 6 months market cap Migration: Rs. 100 crs Direct listing: Rs. 1000 crs OR Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.
3.	Market Liquidity	- At least 5% of the weighted average number of equity shares listed should have been traded during such six months’ period - Trading on atleast 80% of days during such 6 months period - Min. average daily turnover of Rs. 10 lacs and min. daily turnover of Rs. 5 lacs during the 6 month period - Minimum Average no. of daily trades of 50 and min. daily trades of 25 during the said 6 months period Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period. OR Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.
4.	Operating Profit (EBIDTA)	Average of Rs. 15 crs. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, <u>with a minimum of Rs. 10 crores in each of the said 3 years</u>

S. No.	Details	Unified Eligibility Criteria
		In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.
5.	Networth	Rs. 1 cr. - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
6.	Net Tangible Assets	At least Rs. 3 crs , on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project
7.	Promoter holding	At least 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. Note: <i>The minimum promoter holding criterion shall not be applicable in case of diversified holdings or where there are no identifiable promoters, and the company is already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.</i>
8.	Lock In of promoter/ promoter group shares	6 months from the date of listing on the BSE. Note: <i>The lock-in criterion shall not apply to companies already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.</i>
9.	Regulatory action	1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors 2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. 3. Promoters or directors are not fugitive economic offender 4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP 5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
10.	Promoter shareholding	100% in demat form
11.	Compliance with LODR Regs	3 years track record with no pending non-compliance at the time of making the application.
12.	Track record in terms of Listing	Listed for atleast 3 years
13.	Public Shareholder	Min. 1000 as per latest shareholding pattern
14.	Other Parameters	1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies 2. Certificate from CRA and /or Statutory auditors, in absence of CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application.

S. No.	Details	Unified Eligibility Criteria
		2 months cooling off from the date the security has come out of T- to-T category or date of graded surveillance action/measure.
15.	Score ID	No pending investor complaints on SCORES.
16.	Business Consistency	Same line of business for 3 years at least 50% of the revenue from operations from such continued business activity.
17.	Audit Qualification	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

Note: In addition to the existing criteria, pursuant to the notification dated March 03, 2025 (F. No. SEBI/LAD-NRO/GN/2025/233) issued by Securities and Exchange Board of India, our company confirms 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, our company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the 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).

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

SECTION 4: APPLYING IN THE ISSUE

Book Building Issue: Bidders should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchange.

Bid cum Application Forms will also be available with the Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application forms will be available on the website of the stock exchange at least one day prior to the bid opening date. For further details regarding availability of Application Forms, Applicants may refer to the Red Herring Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/ Applicants is as follows:

Category	Color of the Bid cum Application Form
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Bid cum Application Form.*

Securities Offered in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specific securities rematerialized subsequent to Allotment.

4. A. Instructions for Filing Application Form/ Application Form (Book Building Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Red Herring Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. The samples of the Common Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:				FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE SME ISSUE ISIN : XXXXXXXX	Application Form No.
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SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/CDP/RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE SCSB BRANCH STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
BANK BRANCH SERIAL NO. SCSB SERIAL NO.	2. PAN OF SOLE/FIRST APPLICANT _____	

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL	6. INVESTOR STATUS ☐ Individual(s) - IND ☐ Non-Resident Indians (Non-Repatriation Basis) - NRI ☐ Hindu Undivided Family* - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ National Investment Funds - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Alternative Investment Funds - AIF ☐ Others (Please Specify) - OTH
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For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off") No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share ¹ ☐ "Cut-Off" Price (In Figures) _____ (In Words) _____ ALLOTMENT WILL BE IN DEMAT MODE ONLY²	5. CATEGORY ☐ Retail Individual ☐ Non-Institutional ☐ QIB
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¹ Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.
² Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.

7. PAYMENT DETAILS Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI Id _____ (Maximum 45 characters)	PAYMENT OPTION : Full Payment
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I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2019	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) _____
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TEAR HERE

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID	Amount Blocked (₹ in figures) _____ ASBA Bank & Branch _____ ASBA Bank A/c No./UPI Id _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	Stamp & Signature of SCSB Branch	PAN of Sole/First Applicant

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	In Figures No. of Equity Shares _____ Amount Blocked (₹) _____	In Words _____	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA _____	Name of Sole / First Applicant _____
	Acknowledgement Slip for Applicant			
	ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____			
	Application Form No.			

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:	FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS
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LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE SME ISSUE ISIN : XXXXXXX	Application Form No.
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SYNDICATE MEMBER'S STAMP & CODE SUB-BROKER'S / SUB-AGENT'S STAMP & CODE BANK BRANCH SERIAL NO.	BROKER/SCSB/CDP/RTA STAMP & CODE SCSB BRANCH STAMP & CODE SCSB SERIAL NO.	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE/FIRST APPLICANT
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3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	6. INVESTOR STATUS ☐ Non-Resident Indians - NRI (Repatriation basis) ☐ Foreign Institutional Investor - FII/ ☐ Foreign Portfolio Investor - FPI ☐ Foreign Venture Capital Investor - FVCI ☐ FII Sub Account Corporate / Individual - FIISA ☐ Others - OTH (please specify)
4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off") 5. CATEGORY No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share ¹ ☐ "Cut-Off" Price (In Figures) _____ (In Words) _____ ALLOTMENT WILL BE IN DEMAT MODE ONLY² ¹ Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly. ² Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.	

7. PAYMENT DETAILS Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI Id _____ (Maximum 45 characters)	PAYMENT OPTION : Full Payment I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.	
8 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2019	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID _____		PAN of Sole/First Applicant _____	
Amount Blocked (₹ in figures) _____ ASBA Bank & Branch _____		Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id _____			
Received from Mr./Ms. _____			
Telephone / Mobile _____ Email _____			

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	In Figures _____ In Words _____	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant _____ _____ Acknowledgement Slip for Applicant
No. of Equity Shares _____		Application Form No.	
Amount Blocked (₹) _____			
ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____			

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

4.1.1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Bidders in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such first Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/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

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. For Allotment of the Equity Shares in dematerialized form, there will be no separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2. FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (**“PAN Exempted Bidders/Applicants”**). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of PAN Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficial 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.

- (d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3. FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form/Application Form is liable to be rejected;
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active;
- (c) Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for any correspondence(s) related to the Issue;
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4. FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation at the place where the Issuer's registered office is situated, at least two Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO;
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e));
- (c) **Cut-Off Price:** Bidding at the Cut-off Price is prohibited for all category of investor and such Bids are liable to be rejected;
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Book Running Lead Manager may decide the minimum number of Equity Shares for each Bid as prescribed under SEBI Regulations/Circulars. The minimum Bid Lot is accordingly determined by an Issuer on the basis of such minimum application value.
- (e) **Allotment:** The Allotment of specified securities to each Individual Investor shall not be less than the minimum Bid Lot, subject to availability of shares in this Category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the minimum Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.5. Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids Individual Investors and Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder minimum of 2 lots and amount exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

The maximum bid Amount under the Employee Reservation Portion by an Eligible Employee could not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed 2 lots subject to amount of more than ₹ 200,000. Only in the event of an under- subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, not exceed 2 lots subject to amount of more than ₹ 200,000, subject to the total Allotment

to an Eligible Employee not exceeding ₹ 5,00,000;

- (b) For NRIs, a Bid not exceed 2 lots subject to amount of more than ₹ 200,000 may be considered under the Individual Investor Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation;
- (c) Bids by QIBs and NIIs must be for such minimum number of shares such that the more than 2 lots and Bid Amount exceeds ₹ 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price';
- (d) Withdrawal and cancellation shall not be permissible for all Investors. Once a bid has been submitted by an Investor in the prescribed manner, it shall be considered final and binding. Investor will not have the option to revise the bid amount downwards or withdraw their bids after submission;
- (e) In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Individual Investor Category would be considered for allocation under the Individual Investor Category;
- (f) A Bid by QIB bidder cannot be submitted for more than the Issue size;
- (g) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws. It is clarified that, multiple Bids by a FPI Bidder utilising the multi-investment manager structure shall be aggregated for determining the permissible maximum Bid;
- (h) A Bid by NII bidder cannot be submitted for more than the Issue size excluding QIB portion;
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.5.1. Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected;
- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FPIs which utilise the multi-investment manager structure of the same beneficial owner as provided under Regulation 20 (4)(d)(xiii) of the SEBI Foreign Portfolio Regulations, 2019, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected;
 - ii. For Bids from Mutual Funds and FPIs that utilise the multi-investment manager structure, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders/ Applicants, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected;
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Eligible Employees and Individual Shareholders in their respective Reservation Portion as well as Bids made by them in the Net Offer portion in the public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made. Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iii. Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs:
 - FPIs which utilise the multi-investment manager structure
 - Offshore Derivative Instruments (ODI) which have obtained separate FPI registration for ODI and proprietary derivative investments.
 - Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration.
 - 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.
 - Multiple branches in different jurisdictions of foreign bank registered as FPIs.
 - Government and Government related investors registered as Category 1 FPIs.

- Entities registered as Collective Investment Scheme having multiple share classes
 - The bids belonging to the aforesaid seven structures and having same PAN may be collated and identified as a single bid in the bidding process. The shares allotted in the bid may be proportionately distributed to the applicant FPIs (with same PAN).
- iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.6. FIELD NUMBER 5: CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are IIs, NIIs and QIBs;
- (b) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus;
- (c) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.7. FIELD NUMBER 6: BIDDER STATUS

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law;
- (b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details;
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form;
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.8. FIELD NUMBER 7: PAYMENT DETAILS

- (a) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted by Individual Investors to Designated Intermediaries (other than SCSBs), Individual Investors providing both, the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application. NRIs applying in the offer through the UPI mechanism are advised to enquire with the relevant Bank, whether their account is UPI linked, prior to making such application through Channel III;
- (b) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the Individual Investors and Individual Shareholders and Employees Bidding in the Employee Reservation Portion (if any) should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount Issued, if any;
- (c) Individual Investors bidding at Cut-off price, the amount shall be blocked based on the Cap Price;
- (d) All QIB and NII Bidders can participate in the Issue only through the ASBA mechanism;
- (e) Individual Investors submitting their applications through Designated Intermediaries (other than SCSBs) can participate in the Issue only through the UPI mechanism, using their UPI ID linked with their bank account. Individual Investors applying in the Issue through the UPI mechanism shall ensure that the name of the bank, with which the Individual Investor maintains his account, appears in the list of SCSBs displayed on the SEBI website, which are live on UPI. IIs shall also ensure that the name of the mobile application and the UPI handle being used for making the application in the Issue are also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website. NRIs applying in the Issue through the UPI mechanism are advised to enquire with the relevant Bank, whether their account is UPI linked, prior to making such application through Channel III;
- (f) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.
- (g) Payment instructions for Bidders

Individual Investors bidding through Designated Intermediaries should note that with the introduction of UPI as a

payment mechanism, there are three channels of making applications in public issues available to them in UPI Phase II. The three channels for making applications in public offers available to Individual Investors bidding through Designated Intermediaries are as follows:

Channel I	Channel II	Channel III
Individual Investors may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online. For such applications the existing process of uploading the bid and blocking of funds in the IIs account by the SCSB would continue.	Individual Investors may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by some of the brokers.	Individual Investors may submit the Bid cum Application Form with any of the Designated Intermediaries (other than SCSBs) and use bank account (3-in-1 type accounts) provided by some of the brokers.

Individual Investors bidding in the Issue through UPI shall make such applications only through the SCSBs/mobile applications whose name appears on the SEBI website – **www.sebi.gov.in** at the following path:

Home » Intermediaries/Market Infrastructure Institutions » Recognised Intermediaries » Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Home » Intermediaries/Market Infrastructure Institutions » Recognised Intermediaries » list of mobile applications for using UPI in public Issue.

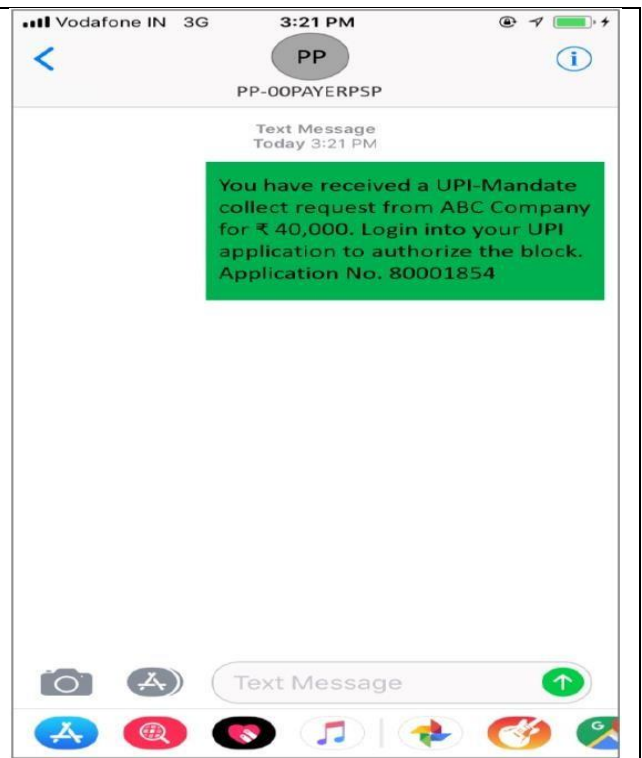
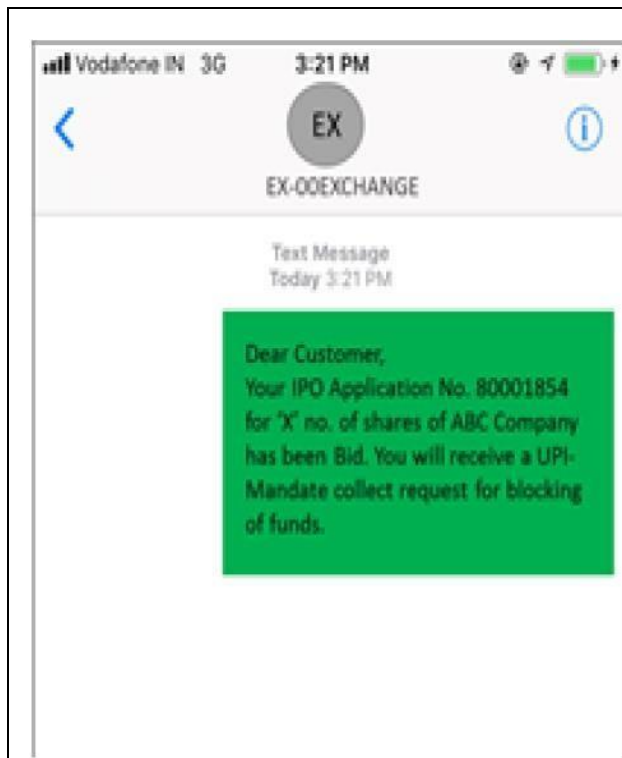
Individual Investors whose bank is not live on UPI may use the other alternate channels available to them, i.e., submission of application form with SCSB (Channel I) or using the facility of linked online trading, demat and bank account (Channel II).

NRIs applying in the Issue through the UPI mechanism are advised to enquire with the relevant Bank, whether their account is UPI linked, prior to making such application through Channel III.

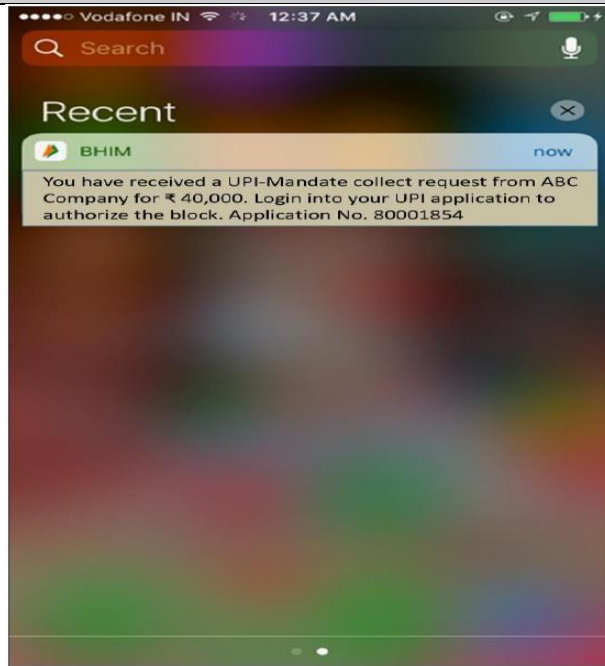
For UPI Phase III, Individual Investors will also have the option to use the same channels (as described above) for making applications in a public Issue.

Please see below a graphical illustrative process of the investor receiving and approving the UPI Mandate Request.

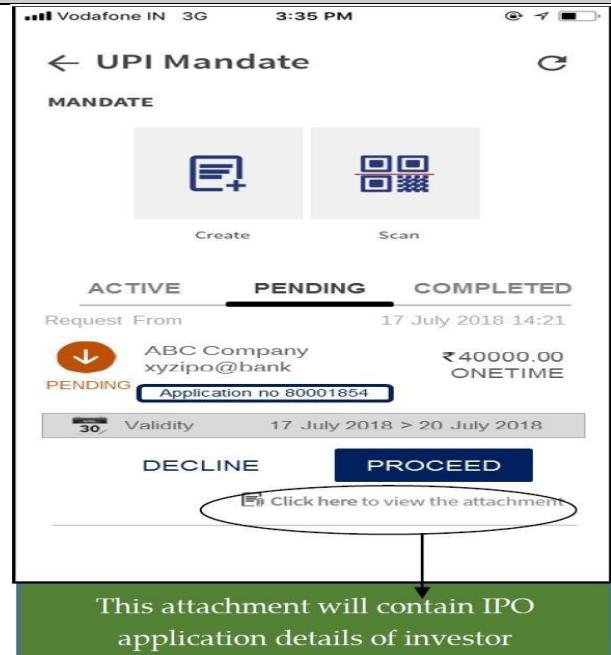
ILLUSTRATIVE SMS	BLOCK REQUEST SMS TO INVESTOR
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BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION



BLOCK REQUEST SMS TO INVESTOR



SAMPLE OF IPO DETAILS IN ATTACHMENT

Secure | https://

1 Enter Details

Investor Details		
Depository Name NSDL	DP ID IN300513	Client ID 14871468
Beneficiary No. -	PAN Card AAMPF7581P	Investor's Name SHYAM SHARAM

IPO Details		
Company Name IPO	IPO Symbol SUPREMEENG	Bid Lot 40000
Face Value 10.00	Maximum Price ₹ 32.00	Minimum Price ₹ 27.00
Cut Off Price ₹ 32.00	IPO Start Date 20 July 2018	IPO End Date 27 July 2018
Discount Amount NA	Discount Category -	

POST VERIFICATION OF DETAILS ABOVE

← Create Mandate

TO
ABC Company
✓ xyzipo@bank Verified Merchant

Mandate Amount
₹ 40000.00

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency
ONETIME

Validity
31 Start Date
20 JULY 2018 > 31 End Date
27 JULY 2018

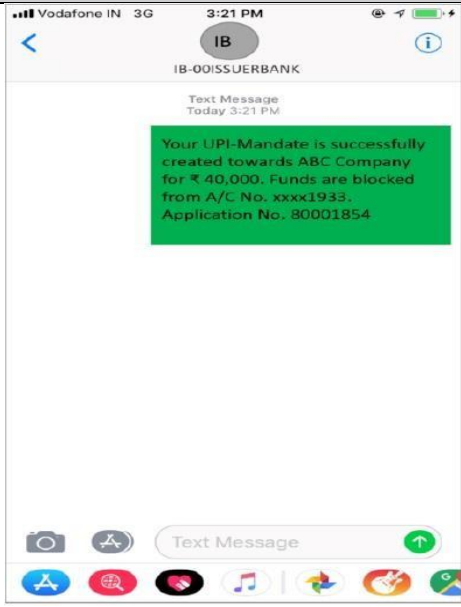
Users account will be debited within validity period.

REMARKS
Application no 80001834

Click here to view the attachment

PROCEED

PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN												
Vodafone IN 3G 3:48 PM Please check the below details as the amount will be blocked for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked Mandate Details To ABC Company ✓ xyzipo@bank AMOUNT ₹ 0000.00 FREQUENCY ONETIME VALIDITY 20 JULY 2018 to 27 JULY 2018 REMARKS Application no 80001854 CANCEL CONFIRM	Vodafone IN 3G 1:39 AM CANCEL STATE BANK OF INDIA ABC Company ₹ 40000 ENTER UPI PIN — — — — <table border="1"> <tr> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>7</td> <td>8</td> <td>9</td> </tr> <tr> <td>✕</td> <td>0</td> <td>SUBMIT</td> </tr> </table>	1	2	3	4	5	6	7	8	9	✕	0	SUBMIT
1	2	3											
4	5	6											
7	8	9											
✕	0	SUBMIT											
CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION												
Vodafone IN 3G 3:49 PM Mandate Approved UPI ID: xyzipo@bank Amount: Rs 40000.00 Frequency: ONETIME UMN: 5473tsfeh735489jsbyw457isntea59jdkn@upi Validity: 20th July 2018 to 27th July 2018 VIEW DETAILS HOME	Vodafone IN 3G 5:43 PM ← Active Mandate Received From 18 July 2018 14:21 ABC Company ₹ 40000.00 xyzipo@bank ONETIME ACTIVE Application No 80001834 MANDATE DETAILS START DATE: 20 July 2018 END DATE: 27 July 2018 FREQUENCY: One Time UMN: 5473tsfeh735489jsbyw457isntea59jdkn@upi REMARKS: Application No 80001834												

BLOCK CONFIRMATION SMS TO INVESTOR	BLOCK CONFIRMATION APPLICATION INTIMATION
	

- (a) QIB and NII Bidders may submit the Bid cum Application Form either
 - i. to SCSBs in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- (b) Bidders must specify the Bank Account number or the UPI ID (for Individual Investors bidding using the UPI mechanism), as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- (c) Bidders should note that application made using third party UPI ID or ASBA Account is liable to be rejected.
- (d) NRIs applying in the Issue through the UPI mechanism are advised to enquire with the relevant Bank, whether their account is UPI linked, prior to making such application through Channel III.
- (e) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- (f) Bidders (other than Individual Investors bidding through the non-UPI mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. Individual Investors bidding through the non-UPI mechanism should either submit the physical Bid cum Application Form with the SCSBs or Designated Branches of SCSBs under Channel I or submit the Bid cum Application Form online using the facility of 3-in1 type accounts under Channel II.
- (g) Bidders (other than Individual Investors bidding through the non-UPI mechanism) bidding through Designated Intermediaries other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each Bidder (not being an Individual Investor who has opted for the UPI mechanism and provided a UPI ID with the Bid cum Application Form) may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Bid Amount for Individual Investors who have provided a UPI ID with the Application Form

please refer to paragraph 4.1.7.4.

- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until failure of the Issue, or until rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.8.1. Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Bid Amount in the relevant account within two Working Days of the Bid/Issue Closing Date.

4.1.8.2. Additional Payment Instructions for Individual Investors bidding through Designated Intermediaries (other than SCSBs) using the UPI mechanism

- (a) Before submission of the application form with the Designated Intermediary, an Individual Investor shall download the mobile application, associated with the UPI ID linked bank account, for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available. Individual Investors shall also ensure that the name of the mobile application and the UPI handle being used for making the application in the offer are appearing in the following path on SEBI website – www.sebi.gov.in:

Home » Intermediaries/Market Infrastructure Institutions » Recognised Intermediaries » list of mobile applications for using UPI in public Issues.

It is clarified that if an Individual Investor makes an application through a UPI handle not covered in the prescribed list (as mentioned in the path above), such an application is liable to be rejected.

- (b) Individual Investors shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at the following path on SEBI website – www.sebi.gov.in:

Home » Intermediaries/Market Infrastructure Institutions » Recognised Intermediaries » Self Certified Syndicate Banks eligible as Issuer Banks for UPI

It is clarified that if an Individual Investor makes an application using a bank account of an SCSB or bank which is not covered in the prescribed list (as mentioned in the path above), such an application is liable to be rejected.

- (c) Individual Investors shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries (other than SCSBs). It is clarified that if an Individual Investor submits a third-party UPI ID instead of his/her own UPI ID in the Bid cum Application Form, the application is liable to be rejected.
- (d) The Designated Intermediary (other than SCSBs) upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.
- (e) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the Individual Investor with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange

with the respective Designated Intermediary through its bidding platform, for corrections, if any.

- (f) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned Individual Investor with the Sponsor Bank appointed by the Issuer.
- (g) The Sponsor Bank will validate the UPI ID of the Individual Investor before initiating the Mandate request.
- (h) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPIID on the Individual Investor which will be electronically received by the Individual Investor as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The Individual Investor shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investor may be deemed to have verified the attachment containing the application details of the Individual Investor in the UPI Mandate Request and have agreed to block the entire Bid Amount mentioned in the Bid Cum Application Form and subsequent debit in case of Allotment.
- (i) Upon successful validation of the block request by the Individual Investor, the said information would be electronically received by the Individual Investor's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the Individual Investor. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the Individual Investor would also be received by the Individual Investor. Information on the Individual Investor status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- (j) Individual Investors may continue to modify upward the Bid till the closure of the Bidding Period. For each modification of the Bid, the Individual Investor will submit a revised Bid and will receive a UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- (k) Individual Investors to check the correctness of the details on the mandate received before approving the Mandate Request.
- (l) Post closure of the Issue, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by Individual Investors using UPI ID.

4.1.8.3. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under Individual Category, Individual Shareholder and Employees under Employee Reservation Portion are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may block their ASBA Account for an amount i.e. the Bid Amount less Discount (if applicable).
- (d) Bidder (other than employees) may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under Individual Category.

4.1.9. FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) The signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorization has to be provided to the SCSB or using the UPI to the Sponsor Bank, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (c) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.

- ii. In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.
 - v. In case of queries relating to uploading of Bids through the UPI Mechanism, the Bidders/Applicants should contact the Designated Intermediary/BRLM.
 - vi. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.
- (c) The following details (as applicable) should be quoted while making any queries –
- i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. name and address of the Designated Intermediary, where the Bid was submitted along with the acknowledgment slip from Designated Intermediary; or
 - iii. Bids, ASBA Account number or the UPI ID (for Individual Investors who make the payment of Bid Amount through the UPI Mechanism) linked to the ASBA Account where the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/ Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) Individual Investor may revise their Bids or withdraw their bids until Bid/Issue Closing date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. It is clarified that Individual Investors whose original Bid is made using the UPI mechanism can make revision(s) to their Bid using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC OFFER - R Registered Office: Tel: Fax: Corporate Office: Tel: Fax: Contact Person: E-mail: Website: Corporate Identity Number:	FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBs, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRIs APPLYING ON A NON- REPATRIATION BASIS																																																		
LOGO	To, The Board of Directors XYZ LIMITED	100% BOOK BUILT OFFER ISIN : XXXXXXXXXX Bid cum Application Form No.																																																		
SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCSB / CDP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. / M/s. _____ Address _____ Tel. No. (with STD code) / Mobile _____ Email _____																																																		
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER _____																																																		
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID																																																		
PLEASE CHANGE MY BID																																																				
4. FROM (AS PER LAST BID OR REVISION)																																																				
Bid Options Option 1 (OR) Option 2 (OR) Option 3	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures Only) <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="3">Bid Price</th> <th colspan="3">Retail Discount</th> <th colspan="3">Net Price</th> <th>"Cut-off"</th> </tr> <tr> <td>3</td><td>2</td><td>1</td> <td>3</td><td>2</td><td>1</td> <td>3</td><td>2</td><td>1</td> <td>(Please ✓ tick)</td> </tr> <tr> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td>☐</td> </tr> <tr> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td>☐</td> </tr> <tr> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td>☐</td> </tr> </table>	Bid Price			Retail Discount			Net Price			"Cut-off"	3	2	1	3	2	1	3	2	1	(Please ✓ tick)										☐										☐										☐
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5. TO (REVISED BID) (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")																																																				
Bid Options Option 1 (OR) Option 2 (OR) Option 3	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures Only) <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="3">Bid Price</th> <th colspan="3">Retail Discount</th> <th colspan="3">Net Price</th> <th>"Cut-off"</th> </tr> <tr> <td>3</td><td>2</td><td>1</td> <td>3</td><td>2</td><td>1</td> <td>3</td><td>2</td><td>1</td> <td>(Please ✓ tick)</td> </tr> <tr> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td>☐</td> </tr> <tr> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td>☐</td> </tr> <tr> <td></td><td></td><td></td> <td></td><td></td><td></td> <td></td><td></td><td></td> <td>☐</td> </tr> </table>	Bid Price			Retail Discount			Net Price			"Cut-off"	3	2	1	3	2	1	3	2	1	(Please ✓ tick)										☐										☐										☐
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6. PAYMENT DETAILS [IN CAPITAL LETTERS] PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐																																																				
Additional Amount Blocked (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI Id (Maximum 45 characters) _____																																																				
I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.																																																				
7A. SIGNATURE OF SOLE/ FIRST BIDDER Date : _____, 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer. 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																																																		
TEAR HERE																																																				
LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC OFFER - R	Acknowledgement Slip for Syndicate Member/ Registered Broker/SCSB/CDP/RTA Bid cum Application Form No.																																																		
DPID / CLID	ASBA Bank A/c No./UPI Id	PAN of Sole / First Bidder																																																		
Additional Amount Blocked (₹) _____ ASBA Bank A/c No./UPI Id _____ Bank Name & Branch _____ Received from Mr./Ms./M/s. _____ Telephone / Mobile _____ Email _____		Stamp & Signature of SCSB Branch																																																		
TEAR HERE																																																				
XYZ LIMITED- BID REVISION FORM - INITIAL PUBLIC OFFER - R	XYZ LIMITED	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA Name of Sole / First Bidder																																																		
Additional Amount Blocked (₹) _____ ASBA Bank A/c No./UPI Id _____ Bank Name & Branch _____		Acknowledgement Slip for Bidder																																																		
Bid cum Application Form No.		Bid cum Application Form No.																																																		
Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.																																																				

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2. FIELD 4 & 5: BID OPTIONS REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by Individual Investors and Individual Shareholders, such Bidders/Applicants should ensure that the Bid lot and Amount, subsequent to revision, does not exceed 2 lots. In case the Bid lots exceeds 2 lots due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut- off Price.
- (d) In case of revision of Bids by Employees, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 500,000.
- (e) If, however, the Individual Investor does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Individual Investor and the Individual Investors is deemed to have approved such revised Bid at Cut-off Price.
- (f) In case of a downward revision in the Price Band, Individual Investors and Bids by Employees and Individual Shareholders under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3. FIELD 6: PAYMENT DETAILS

- (a) All Bidders/Applicants are required to authorize blocking of the full Bid Amount (less Discount (if applicable) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount Issued, if any.
- (b) Bidder/Applicant may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case of a downward revision in the Price Band, Individual Investors, Employees and Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4. FIELD 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. INSTRUCTIONS FOR FILING APPLICATION FORM IN OFFER MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS

4.3.1. FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2. FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- (a) The Issuer may mention Price or Price Band in the Draft Red Herring Prospectus/Red Herring Prospectus. However, a Prospectus filed with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Book Running Lead Manager to the Issue (BRLM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range as prescribed under SEBI circulars/regulations. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by Individual Investors and Individual Shareholders, must be for such number of shares so as to ensure that the application amount less Discount (as applicable) payable exceed ₹ 2,00,000.
- (d) Applications by Employees must be for such number of shares that the application amount payable less Discount (as applicable) does not exceed ₹ 500,000.
- (e) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Red Herring Prospectus, or as advertised by the Issuer, as the case may be.
- (f) An application cannot be submitted for more than the Issue size.
- (g) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (h) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (i) For details regarding the procedures to be followed by the Registrar to detect multiple applications. Applicants should refer to paragraphs 4.1.4.2(b) and 4.1.4.2(c).

4.3.3. FIELD NUMBER 5: CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are Individual Investors, individual applicants other than Individual Investor's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Red Herring Prospectus.
- (c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Red Herring Prospectus.

4.3.4. FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5. FIELD 7: PAYMENT DETAILS

- (a) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPIID, the UPI ID will be considered for processing of the application.
- (b) All Applicants are required to make use of ASBA for applying in the Issue.
- (c) Individual Investors applying through Designated Intermediaries (other than SCSBs) may make use of the UPI mechanism for applying in the Issue. If Individual Investors are applying in the Issue through non-UPI mechanism, then it shall either submit physical Bid cum Application Form with the SCSBs or the Designated Branches of the SCSBs under Channel I or submit the Bid cum Application Form online using the facility of 3-in1 type accounts under Channel II.
- (d) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1. Payment instructions for Applicants

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2. Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraph 4.1.7.3.

4.3.5.3. Additional Payment Instructions for RIIs bidding through Designated Intermediaries using the UPI mechanism.

Applicants should refer to instructions contained in paragraph 4.1.7.4.

4.3.5.4. Discount (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.5.

4.3.6. FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4. SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1. Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:

Mode of Application	Submission of Bid cum Application Form
Applications from QIBs and NIIs	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations; and To the Designated Branches of the SCSBs where the ASBA Account is maintained
Applications from IIs applying through UPI mechanism	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations; and
Applications from IIs applying through non-UPI mechanism	To the Designated Branches of the SCSBs where the ASBA Account is maintained To the Brokers providing the facility of linked online trading, demat and bank account (3-in-1 type accounts) online

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had submitted the original Bid.
- (b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Red Herring Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (c) Upon determination of the Issue Price and filing of the Red Herring Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XIII of SEBI ICDR Regulations 2018. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1. SUBMISSION OF BIDS

- (a) The Bidders/Applicants may instruct the SCSBs or the Sponsor Bank, as applicable, to block Bid Amount based on the Cap Price less discount (if applicable).
- (b) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2. ELECTRONIC REGISTRATION OF BIDS

The Designated Intermediary may register the Bids using the on-line facility of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.

- (a) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (b) Only Bids that are uploaded on the Stock Exchanges Platform would be considered for allocation/ Allotment. In UPI Phase II, the Designated Intermediaries are given time till the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

5.3. BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Managers at the end of the Bid/ Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

5.4. WITHDRAWAL OF BIDS

- (a) Individual Investors can withdraw their Bids until Bid/ Issue Closing Date. In case an Individual Investor wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds in the ASBA Account.
- (b) The Registrar to the Issue shall give instruction to the SCSB or the Sponsor Bank, as applicable, for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5. REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to
 - i. the Bids accepted by the Designated Intermediary;
 - ii. the Bids (including UP ID, as applicable) uploaded by the Designated Intermediary; and
 - iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- (b) The Book Running Lead Manager and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs or the Sponsor Banks, as applicable, shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA Account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (ii) Book Running Lead Manager and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & Individual Investors Bids can be rejected on technical grounds listed herein.

5.5.1. GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, among other things, on the following grounds, which have been detailed at various places in this GID:

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications of Bidders accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account;
- (c) Bids/Applications by OCBs;
- (d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (i) ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- (j) In case of Bids by Individual Investors (applying through the UPI mechanism) through a UPI handle not covered in the prescribed list of SEBI;
- (k) In case of Bids by Individual Investors (applying through the UPI mechanism) using a bank account of an SCSB or bank which is not covered in the prescribed list of SEBI;
- (l) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (m) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (n) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (o) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (p) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (q) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (r) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (s) Submission of Bid cum Application Forms/Application Form using third party UPI ID or ASBA Bank Account;
- (t) Submission of more than one Bid cum Application Form per UPI ID by Individual Investors bidding through Designated Intermediaries other than SCSBs (except for Individual Investors applying as the Individual Shareholders also);
- (u) Submission of more than one Bid cum Application Form per ASBA Account by Bidders bidding through Designated Intermediaries (except in case of joint account holders);
- (v) In case of joint Bids, submission of Bid cum Application Forms/Application Form using second or third party's UPI ID or ASBA Bank Account;
- (w) Bids/Applications for number of Equity Shares which are not in multiples of Equity Shares as specified in the RHP;
- (x) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (y) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (z) Bank account mentioned in the Bid cum Application Form (for Bidders applying through the non-UPI mechanism) may not be an account maintained by SCSB. Inadequate funds in the ASBA Account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the ASBA Account;
- (aa) In case of Bids by Individual Investors (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third-party bank account;
- (bb) In case of Bids by Individual Investors (applying through the UPI mechanism), the UPI ID is not mentioned in the Bid cum Application Form;
- (cc) Where no confirmation is received from SCSB or the Sponsor Bank, as applicable, for blocking of funds;

- (dd) Bids/Applications by QIB and NII Bidders not submitted through ASBA process;
- (ee) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- (ff) Bid cum Application Form submitted physically by Individual Investors bidding through the non-UPI mechanism to Designated Intermediaries other than SCSBs;
- (gg) Bids/Applications not uploaded on the terminals of the Stock Exchange;
- (hh) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form;
- (ii) The UPI Mandate is not approved by an Individual Investor; and
- (jj) The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice- versa;
- (kk) Bidders are required to enter either the ASBA Bank account details or the UPI ID in the Bid cum Application Form. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application;
- (ll) Individual Investors shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount is available for blocking, has been notified as Issuer Banks for UPI. A list of such banks is available on SEBI website – www.sebi.gov.in;
- (mm) Home » Intermediaries/Market Infrastructure Institutions » Recognised Intermediaries » Self Certified Syndicate Banks eligible as Issuer Banks for UPI;
- (nn) In case of revision of Bids by Individual Investor Bidders, if UPI Mandate Request for the revised Bid is not approved, the Application is liable to be rejected.

5.6. BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the applicable eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus;
- (b) Under-subscription in any category (except QIB category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories;
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP;
- (d) **Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue

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

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of equity shares is the price at which the book cuts off i.e., ₹ 22.00 in the above example. The

issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price, i.e., at or below ₹ 22.00. All bids at or above this Issue Price are valid bids and are considered for allocation in the respective categories.

(e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity shares, and this process continues until all the Equity Shares have been allotted. Individual Investors, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity, then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being the Book Built Issue this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

7.1. ALLOTMENT TO INDIVIDUAL BIDDERS

Bids received from the Individual Investors at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Individual Investor Category at or above the Issue Price, full Allotment may be made to the Individual Investors to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation in the Individual Category at or above the Issue Price, then the maximum number of Individual Investors who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to Individual Investors by the minimum Bid Lot (**“Maximum Individual Investor Allottees”**). The Allotment to the Individual Investors will then be made in the following manner:

- (a) In the event the number of Individual Investors who have submitted valid Bids in the Issue is equal to or less than Maximum Individual Investor Allottees; (i) all such Individual Investors shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Individual Investor Category shall be Allotted on a proportionate basis to the Individual Investors who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of Individual Investors who have submitted valid Bids in the Issue is more than Maximum Individual Investor Allottees, the Individual Investors (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2. ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3. ALLOTMENT TO QIBs

For the Basis of Allotment to QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows:
 - (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below.
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4. BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Person of BSE Limited (The Designated Stock Exchange) in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off.
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

Individual Investor' means an investor who applies for minimum application size. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Designated Person of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.5. DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

(b) Issuance of Allotment Advice:

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within three Working Days of the Bid/ Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1. NON-RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. The Stock Exchange from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange will be disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalized.

If the Issuer fails to make application to the Stock Exchange and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange, the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2. NON-RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 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 the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than two lots per applications i.e. the minimum application size shall be above ₹ 2,00,000/- (Rupees Two Lac only).

8.2.3. MINIMUM NUMBER OF ALLOTTEES

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

8.3 MODE OF REFUND

1. **In case of ASBA Bids:** Within two Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Bids by Individual Investors applying through the UPI mechanism to the Sponsor Bank to revoke the mandate and for unblocking the amount for unsuccessful Bids or for any excess amount blocked on Bidding.

2. In the case of Bids from Eligible NRI Bidders and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders, as applicable, are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the two Working Days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum and within such time as disclosed in the offer document and BRLM shall ensure the same.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Red Herring Prospectus.
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the bid.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee(s)	The successful bidder to whom the Equity Shares are being / have been issued.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for Domestic Mutual Funds, subject to valid Bids being received from Domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by an ASBA Bidder with a SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism.
ASBA Bidder(s)	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder.

Terms	Description
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue	Axis Bank Limited.
Banker to the Issue Agreement	Agreement dated August 13, 2026 entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “ <i>Issue Procedure</i> ” on page Error! Bookmark not defined. of this Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati) (regional language of Gujarat, where our Registered Office is located). Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati), where our Registered Office is located).
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of 3 (three) Working Days, subject to the Bid/Issue Period not exceeding 10 (ten) Working Days.
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Swastika Investmart Limited.

Terms	Description
Broker Centres	Broker Centers of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker Centers if they are Bidding using the UPI Mechanism. The details of such broker Centers, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Not or advice or intimation sent to each successful bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Bidder's beneficiary account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidder father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Issue.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Intermediaries / Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Stock Exchange	BSE Limited (SME Platform) ("BSE SME").
DP	Depository Participant.
DP ID	Depository Participant's Identity Number.

Terms	Description
Draft Red Herring Prospectus / DRHP	Draft Red Herring prospectus dated June 05, 2026 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe or purchase the Equity Shares.
Eligible NRI(s)	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 10/- each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being Axis Bank Limited.
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investors	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fresh Issue	The Fresh Issue of Upto 60,00,000 Equity Shares ₹ 10/- each for cash at a price of ₹ [●]/- each (including a share premium of ₹ [●]/- each), aggregating up to ₹ [●] Lakhs.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, 2018.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document (GID)	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time.
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company.
GIR Number	General Index Registry Number.
Individual Investors /Individual Bidders/ IB/ II	Minimum application size shall be two lots per application, such that the minimum application size shall be above ₹ 2 Lakhs. (including HUFs applying through their Karta) and Eligible NRI.
Individual Portion	The portion of the Net Issue being not less than 35% of the Net Equity Shares which shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations.
IPO/ Issue / Issue Size/	Initial Public Offering.

Terms	Description
Public Issue	
Issue Agreement	Issue Agreement dated May 07, 2026 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offer/ Initial Public Offering/ IPO	The initial public offering of upto 60,00,000 Equity Shares for cash at a price of ₹ [●]/- each, aggregating up to ₹ [●] Lakhs each (including a share premium of ₹ [●]/- each), aggregating up to ₹ [●] Lakhs by our Company.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page Error! Bookmark not defined. of this Red Herring Prospectus.
Issue Price	The Price at which the Equity Shares are being issued/offered by our Company under this Red Herring Prospectus being ₹ [●]/- per equity share.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page Error! Bookmark not defined. of this Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Making Agreement	The Market Making Agreement dated August 31, 2026 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Sunflower Broking Private Limited.
Market Maker Reservation Portion	The reserved portion of Upto 3,00,000 Equity Shares of ₹ 10/- each at an Issue price of ₹ [●]/- each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Mutual Fund Portion	The portion of the Issue being 5% of the Net QIB Portion consisting of 57,000 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Issue	The Issue excluding the Market Maker Reservation Portion of Upto 57,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid for cash at a price of ₹ [●]/- Equity Share aggregating ₹ [●] Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Net Proceeds	Proceeds of the Issue less our Company’s share of the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” beginning on page Error! Bookmark not defined. of this Red Herring Prospectus.
Non – Individual Portion including Qualified Institution Buyers (NII)	The remaining portion of the Net Issue, after Individual Investors portion, being not more than 50% of the Net issue which shall be available for allocation to NIIs in accordance with the SEBI ICDR Regulations.
Non-Institutional Bidders/ Non-Institutional Investors/ NIIs	All Bidders that are not QIBs, IBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares for an amount more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of at least 8,55,000 Equity Shares, shall be available for allocation on a proportionate basis to NIIs of which (a) one-third of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than 2 (two) lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-thirds of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than ₹ 10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to other sub-category of Non-Institutional Investor and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Non-Resident/NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Other Investor	Investors other than Individual Investors. These include individual applicants other than Individual Investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.

Terms	Description
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Price Band	Price band of a minimum price of ₹ [●]/- per Equity Share (Floor Price) and the maximum price of ₹ [●]/- per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express (Gujarati) being the regional language of Gujarat, where our Registered is situated) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Announcement	The Draft Red Herring Prospectus filed with SME Platform of BSE Limited was made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, the BSE website and Book Running Lead Manager's website. Our Company had, within two working days of filing the Draft Red Herring Prospectus with BSE SME, made a public announcement in all editions of an English national daily newspaper, and all editions of a Hindi national daily newspaper and all editions of regional language newspaper, where our Registered Office is located, disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE, our Company or the Book Running Lead Manager in respect of the disclosures made in the Draft Red Herring Prospectus.
Public Issue Account(s)	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Issue Account Bank(s)	The banks with which the Public Issue Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited.
QIB Category/ QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of Upto 28,50,000 Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Bid/Issue Opening Date shall be at least three Working Days after the filing of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.

Terms	Description
Refund Bank(s)	The Banker(s) to the Issue which are a clearing member registered with SEBI under the SEBI BTI Regulations with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of SEBI circular number CIR/CFD/14/2012 dated October 4, 2012, and the UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated May 07, 2026 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/ Registrar	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited).
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations.
Reserved Category/Categories	Categories of persons eligible for making bid under reservation portion.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). Individual Investors, QIB Applicant and Non-Institutional Applicant are not allowed to lower or withdraw their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage.
SCORES	Securities and Exchange Board of India Complaints Redress System.
Self-Certified Syndicate Bank(s)/ SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and issues the facility of: (a) ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 & https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 , or such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as updated from time to time
Specified Locations	Bidding Centers where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sponsor Bank(s)	The Bankers to the Issue registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being Axis Bank Limited.
Stock Exchanges	BSE Limited.
Sub-syndicate Members	The sub syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement to be entered into amongst our Company, the BRLM, the Syndicate Members and the Registrar, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (other than the BRLM) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, Swastika Investmart Limited.
Syndicate/ members of the Syndicate	Together, the BRLM and the Syndicate Members.
Systemically Important Non-Banking Financial Company/ NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.

Terms	Description
Underwriters	Swastika Investmart Limited and Jevin Stock Broker Private Limited.
Underwriting Agreement	The agreement dated August 13, 2026 entered among the Underwriters and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus with RoC.
UPI	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL- 2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI RTA Master Circular (to the extent that such circular pertains to the UPI Mechanism), SEBI ICDR Master Circular, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that may be used by Individual Investor to make Bids in the Issue in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day(s) means, all days on which commercial banks in Gujarat are open for business. However, in respect of— (a) announcement related to the Price, if any; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Gujarat are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Saturdays, Sundays and bank holidays, as per circulars issued by SEBI

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(Scan this QR code to view the Addendum to DRHP)



VIVEKANAND COTSPIN LIMITED

(Formerly known as Vivekanand Cotspin Private Limited)

CIN: U13111GJ2024PLC154066

Our Company was originally formed and registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008 ("LLP Act") in the name and style of "Vivekanand Cotspin LLP" (LLPIN: AAE-4147) and received a certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on July 21, 2015. Further, "Vivekanand Cotspin LLP" was thereafter converted from a Limited Liability Partnership to a Private Limited Company under part I Chapter XXI of Section 366 of Companies Act, 2013 with the name of "Vivekanand Cotspin Private Limited" and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Center on August 5, 2024. The Corporate Identification Number of our Company is U13111GJ2024PTC154066. Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Vivekanand Cotspin Private Limited" to "Vivekanand Cotspin Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 02, 2024 and a fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Processing Centre. The present CIN of our Company is U13111GJ2024PLC154066.

Registered Office S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujarat, India;

Website: www.vcottonexport.com; **E-Mail:** cs@vcottonexport.com; **Telephone No:** +91 9227825102;

Contact Person: Ankit Sanchiher, Company Secretary and Compliance Officer

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

THE ISSUE

INITIAL PUBLIC OFFERING OF UP TO 65,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF VIVEKANAND COTSPIN LIMITED ("VCL" OR "OUR COMPANY") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●]/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE") OF WHICH UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS ("NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), AND GUJRATI EDITION OF THE REGIONAL NEWSPAPER, FINANCIAL EXPRESS (ONE REGIONAL LANGUAGE NEWSPAPER WITH WIDE CIRCULATION AT THE PLACE WHERE THE REGISTERED OFFICE OF OUR COMPANY IS SITUATED). AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JUNE 05, 2026 (THE "DRAFT RED HERRING PROSPECTUS"):

NOTICE TO THE INVESTORS ("THE ADDENDUM"): This is with reference to the Draft Red Herring Prospectus dated June 05, 2026, filed by the Company with SME Platform of BSE Limited ("BSE SME"). Potential Investors may note that our Company has undertaken to incorporate the additions/modifications (reproduced in *"italics"*) provided below are the relevant information and details reflected in the Draft Red Herring Prospectus shall stand updated accordingly:

Potential Bidders may note the following:

1. The Chapter titled **"Definitions and Abbreviations"** beginning on page 1 of the Draft Red Herring Prospectus has been updated;
2. The Chapter titled **"Risk Factors"** beginning on page 19 of the Draft Red Herring Prospectus has been updated;
3. The Chapter titled **"Summary of Financial Information"** beginning on page 54 of the Draft Red Herring Prospectus has been updated;
4. The Chapter titled **"Summary of Related Party Transactions"** beginning on page 59 of the Draft Red Herring Prospectus has been updated;
5. The Chapter titled **"General Information"** beginning on page 63 of the Draft Red Herring Prospectus has been updated;
6. The Chapter titled **"Capital Structure"** beginning on page 74 of the Draft Red Herring Prospectus has been updated;
7. The Chapter titled **"Object of the Issue"** beginning on page 87 of the Draft Red Herring Prospectus has been updated;
8. The Chapter titled **"Basis for Issue Price"** beginning on page 97 of the Draft Red Herring Prospectus has been updated;
9. The Chapter titled **"Business Overview"** beginning on page 140 of the Draft Red Herring Prospectus has been updated;
10. The Chapter titled **"Our Management"** beginning on page 174 of the Draft Red Herring Prospectus has been updated;
11. The Chapter titled **"Our Promoters and Promoter Group"** beginning on page 188 of the Draft Red Herring Prospectus has been updated;
12. The Chapter titled **"Statement of Financial Indebtedness"** beginning on page 202 of the Draft Red Herring Prospectus has been updated;
13. The Chapter titled **"Management's Discussion and Analysis of Financial Position of Results of Operations"** beginning on page 205 of the Draft Red Herring Prospectus has been updated;
14. The Chapter titled **"Material Contracts and Documents for Inspection"** beginning on page 320 of the Draft Red Herring Prospectus has been

updated.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/Prospectus, as and when filed with the Stock Exchange. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

On behalf of Vivekanand Cotspin Limited

Date: August 03, 2026

Place: Mehsana

Sd/-
Nirav Bharatbhai Patel
Chairman & Managing Director

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



SWASTIKA INVESTMART LIMITED

Registered Office: Office No. 104, 1st Floor, KESHAVA Commercial Building, Plot No.C-5, E Block, Bandra Kurla Complex, Opp GST Bhavan, Bandra (East), Mumbai-400051, Maharashtra;

Merchant Banking Division: 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001;

Telephone: +91 731 6644244;

E-mail: mb@swastika.co.in;

Website: www.swastika.co.in;

Contact Person: Mohit R. Goyal;

Investor Grievance: mb.investorgrievance@swastika.co.in;

SEBI Registration Number: INM000012102;

CIN: L65910MH1992PLC067052.

MUFG INTIME INDIA PRIVATE LIMITED;

(Formerly known as Link Intime India Private Limited)

Address: C 101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, India;

Tel. No.: +91 810 811 4949;

Email: vivekanand.smeipo@in.mpms.mufg.com;

Website: www.linkintime.co.in

Investor Grievance

vivekanand.smeipo@in.mpms.mufg.com;

Contact Person: Shanti Gopalkrishnan;

SEBI Registration No.: INR000004058;

URL of SEBI website: www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10;

CIN: U67190MH1999PTC118368.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Terms	Description
“Our Promoter(s)”	Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel, Mr. Gautam Bharatkumar Patel, B P Patel Family Trust, V P Patel Family Trust, Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel are the promoters of the Issuer Company.

Company Related Terms

Terms	Description
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Ankit Sanchiher .
Promoter(s)	The promoters of our Company namely Mr. Nirav Bharatbhai Patel, Mr. Jasmin Vishnubhai Patel, Mr. Bharatbhai Prahaladbhai Patel, Mr. Vishnubhai Prahaladdas Patel, Mr. Gautam Bharatkumar Patel, B P Patel Family Trust, V P Patel Family Trust, Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel . For further details, please refer to section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 188 of this Draft Red Herring Prospectus.

Issue Related Terms

Terms	Description
Addendum / Addendum to Draft Red Herring Prospectus	The Addendum dated August 03, 2026, to the Draft Red Herring Prospectus dated June 05, 2026.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day(s) means, all days on which commercial banks in Gujarat are open for business. However, in respect of– (a) announcement related to the Price, if any; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Gujarat are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Saturdays, Sundays and bank holidays, as per circulars issued by SEBI.

SECTION II – RISK FACTORS

Shifting Risk Factor No. 12 to Top 1

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

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

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

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

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

The aforesaid transactions are carried out based on transaction-specific purchase contracts, sales contracts, purchase orders, sales orders and order confirmations, as applicable. Separate commercial documents are executed for each transaction, setting out the quantity, quality specifications, pricing, delivery terms, payment terms and other commercial conditions.

Accordingly, the Company does not execute a single overarching purchase or sales agreement with the Related Parties. Instead, each transaction is governed by its respective contract and/or order confirmation executed in the ordinary course of business. All such transactions are undertaken on arm's length basis and in accordance with the Company's approved Related Party Transaction policy and the applicable provisions of the Companies Act, 2013 and SEBI regulations.

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

- **Supply of Cotton Bales:** Ambica Cotseeds Pte. Ltd. supplies cotton bales to the Company on a principal-to-principal basis, pursuant to separately negotiated purchase contracts executed for each transaction.
- **Procurement Support Services:** In addition to supplying cotton bales on its own account, Ambica Cotseeds Pte. Ltd. also assists the Company, whenever required, in identifying overseas suppliers and facilitating procurement of cotton from international markets.

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

The detail of transactions with related party is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Transactions during the year:								

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Director Remuneration								
Nirav Patel	-	0.00%	4.00	0.01%	-	0.00%	-	0.00%
Salary								
Irfan Abdulbhai Mansuri	9.60	0.02%	4.00	0.01%	-	0.00%	-	0.00%
Komal Vijaybhai Chauhan	5.42	0.01%	1.08	0.00%	-	0.00%	-	0.00%
Sitting fees								
Neha Agarwal	1.10	0.00%	-	0.00%	-	0.00%	-	0.00%
Sandeep Kumar Likhamania	1.10	0.00%	-	0.00%	-	0.00%	-	0.00%
Transfer of Company Loan to Director**								
Jasmin Vishnubhai Patel	-	0.00%	8.62	0.03%	-	0.00%	-	0.00%
Unsecured Loan								
Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	0.00%	42.00	0.14%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	-	0.00%	397.93	1.37%	9.01	0.12%	-	0.00%
Nirav Patel	-	0.00%	719.43	2.48%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	-	0.00%	264.81	0.91%	20.07	0.27%	-	0.00%
Vishnubhai Patel	-	0.00%	154.47	0.53%	-	0.00%	-	0.00%
Bharatbhai Patel	-	0.00%	326.53	1.12%	-	0.00%	-	0.00%
Repayment of Unsecured Loan								
Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)	-	0.00%	42.00	0.14%	-	0.00%	-	0.00%
Vishnubhai Patel	160.50	0.39%	-	0.00%	-	0.00%	-	0.00%
Nirav Patel	607.90	1.49%	-	0.00%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	198.54	0.49%	0.54	0.00%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	171.70	0.42%	0.92	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	212.42	0.52%	-	0.00%	-	0.00%	-	0.00%
Preet Vishnubhai Patel	-	0.00%	2.00	0.01%	-	0.00%	-	0.00%
Interest on Loan								
Vishnubhai Patel	17.72	0.04%	-	0.00%	-	0.00%	-	0.00%
Nirav Patel	36.78	0.09%	-	0.00%	-	0.00%	-	0.00%
Jasmin Vishnubhai Patel	45.60	0.11%	-	0.00%	-	0.00%	-	0.00%
Gautam Bharatbhai Patel	30.28	0.07%	-	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	37.47	0.09%	-	0.00%	-	0.00%	-	0.00%
Commission Expenses								
Ambica Cotseeds PTE Limited	-	0.00%	6.23	0.02%	-	0.00%	-	0.00%
Lease Expense								
Vishnubhai Patel	1.20	0.00%	1.00	0.00%	-	0.00%	-	0.00%
Bharatbhai Patel	1.20	0.00%	1.00	0.00%	-	0.00%	-	0.00%

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Ranjan Patel	1.20	0.00%	1.20	0.00%	-	0.00%	0.35	0.00%
Kapilaben Vishnubhai Patel	1.20	0.00%	1.20	0.00%	-	0.00%	0.35	0.00%
Kantaben Prahladbhai Patel	-	0.00%	-	0.00%	-	0.00%	1.20	0.00%
Avadh Cotton Industries	2.40	0.01%	4.97	0.02%	-	0.00%	4.80	0.01%
Purchase								
Ambica Cotseeds Limited	-	0.00%	531.56	1.83%	13.22	0.18%	3,663.11	10.25%
Vivekanand Industries	-	0.00%	519.15	1.79%	759.28	10.06%	1,886.44	5.28%
Ambica Cotseeds PTE Limited	-	0.00%	1,847.64	6.36%	-	0.00%	-	0.00%
Avadh Cotton Industries	-	0.00%	-	0.00%	-	0.00%	139.90	0.39%
Kapilaben Vishnubhai Patel	-	0.00%	-	0.00%	-	0.00%	3.65	0.01%
Kantaben Prahladbhai Patel	-	0.00%	-	0.00%	-	0.00%	3.62	0.01%
Bharatbhai Patel	-	0.00%	-	0.00%	-	0.00%	3.36	0.01%
Sales								
Ambica Cotseeds Limited	1,310.63	3.21%	7,096.25	24.43%	3,564.34	47.23%	13,743.42	38.46%
Vivekanand Industries	1,339.17	3.28%	3,354.08	11.55%	1,745.21	23.13%	9,870.98	27.62%
Capital Contribution								
Bharatbhai Patel	-	0.00%	-	0.00%	25.38	0.34%	218.25	0.61%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	100.15	1.33%	3.75	0.01%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	188.74	2.50%	53.00	0.15%
Nirav Patel	-	0.00%	-	0.00%	194.14	2.57%	171.00	0.48%
Vishnubhai Patel	-	0.00%	-	0.00%	18.08	0.24%	60.96	0.17%
Capital Withdrawal								
Bharatbhai Patel	-	0.00%	-	0.00%	31.24	0.41%	287.01	0.80%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	30.64	0.41%	464.37	1.30%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	43.99	0.58%	359.82	1.01%
Nirav Patel	-	0.00%	-	0.00%	158.64	2.10%	774.99	2.17%
Vishnubhai Patel	-	0.00%	-	0.00%	49.49	0.66%	136.81	0.38%
Interest on Capital								
Bharatbhai Patel	-	0.00%	-	0.00%	9.39	0.12%	18.56	0.05%
Gautam Bharatbhai Patel	-	0.00%	-	0.00%	11.57	0.15%	49.07	0.14%
Jasmin Vishnubhai Patel	-	0.00%	-	0.00%	13.31	0.18%	39.82	0.11%
Nirav Patel	-	0.00%	-	0.00%	10.68	0.14%	47.74	0.13%
Vishnubhai Patel	-	0.00%	-	0.00%	9.33	0.12%	24.40	0.07%

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

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

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

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

Transaction-wise Purchases:

Ambica Cotseeds Limited:

(₹ in Lakhs)

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

Vivekanand Industries:

(₹ in Lakhs)

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

Ambica Cotseeds Pte. Ltd.:

(₹ in Lakhs)

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

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

The flow of goods is generally as follows:

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

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

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

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

Sales to Related Parties:

(₹ in Lakhs)

Party Name	For the Period Ended on March 31, 2026	For the Period Ended on March 31, 2025	For the Period Ended on Aug 04, 2024	For the Period Ended on March 31, 2024
Ambica Cotseeds Limited	1,310.63	7,096.25	3,564.34	13,743.42
% of Revenue from Operations	3.21	24.43	47.23	38.46
Vivekanand Industries	1,339.17	3,354.08	1,745.21	9,870.98
% of Revenue from Operations	3.28	11.55	23.13	27.62

Ambica Cotseeds Limited:

(₹ in Lakhs)

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

Vivekanand Industries:

(₹ in Lakhs)

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

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

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

Insert new risk factor in Top 2:

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

The related party entities perform distinct functions within the cotton value chain and possess specialized capabilities, infrastructure, customer relationships and market access that facilitate efficient business operations. The transactions are not

routed through related parties merely due to common ownership or control but are supported by clear business rationale and are undertaken at arm's length prices.

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

1. Transactions with Ambica Cotseeds Limited

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

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

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

Accordingly, transactions with Ambica Cotseeds Limited enable:

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

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

2. Transactions with Vivekanand Industries

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

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

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

Accordingly, transactions with Vivekanand Industries facilitate:

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

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

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

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

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

Shifting Risk Factor No. 39 to Top 5

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

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

Capacity of spinning of cotton into yarn:

Name of Product	Total Capacity Installed (in metric ton) (Per Year)	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended March 31, 2024	
		Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)	Total Production	Capacity Utilization (in %)
Cotton Bales	8,000	7,425	92.82	6,801	85.01	6,556	81.94
Cotton Yarn	4,551	3,051	67.05	3,415	75.05	3,703	81.38

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated June 03, 2026.

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

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

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

- **Optimisation of product mix:** The Company manufactures cotton yarn based on customer requirements and market demand. During the Review Period, the Company increasingly focused on manufacturing value-added and customer-specific yarn products. Such products require additional process controls, stringent quality standards, traceability requirements and higher operational attention. Accordingly, production planning is driven by customer specifications, quality requirements and value realisation rather than maximising production volumes;
- **Volatility in cotton prices:** Fluctuations in cotton prices influence procurement planning, inventory management and production scheduling. The Company accordingly aligns its production with commercial viability while maintaining prudent inventory levels and efficient utilisation of resources.
- **Focus on sustainable profitability:** The Company follows a prudent business strategy of optimising product mix and value realisation instead of operating the plant at full capacity merely to maximise production volume. Management believes that sustainable profitability, operational efficiency and product quality are more appropriate performance indicators than capacity utilisation alone.

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

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

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

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

Shifting Risk Factor No. 55 to Top 5

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

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

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

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

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

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

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

Name of Group Company	Description of Business	Similarity with the Company's Business	Distinguishing Points	Customer Profile	Supplier Profile	Non-Compete Agreement
Ambica Cotseeds Limited	Please refer to the "Group Companies" chapter of the Offer Document for detailed description of its business	Operates in a similar line of business relating to trading of cotton bales and cotton yarn	Primarily engaged in merchant trading and export activities with an established international customer network, whereas the Issuer Company is principally engaged in manufacturing of cotton yarn and cotton ginning.	Domestic and international textile manufacturers, traders and export customers.	Domestic cotton processors, manufacturers, traders and import suppliers.	Yes – Non - Compete Agreement Dated March 24, 2026
Ambica Cotseeds		Operates in a similar line	Acts as an overseas sourcing and	Overseas traders and	International cotton	Yes –Non-Compete

Pte Limited		of business relating to merchant trading of cotton bales in international markets	merchant trading entity, whereas the Issuer Company is engaged in manufacturing and domestic operations.	international customers.	suppliers and overseas merchants.	Agreement Dated April 10,2026
Truepay Finance Private Limited		Truepay Finance Private Limited is not engaged in a business similar to that of the Company, and therefore no non-compete arrangement is applicable in its case	Operates in the financial services sector, whereas the Issuer Company is engaged in cotton ginning and manufacture of cotton yarn	Borrowers and financial service customers.	Financial institutions and funding sources.	No

Update under Risk factor No. 6 of DRHP

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

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

Please find the Product wise distribution of our Products:

(₹ in Lakhs)

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

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

Shifting Risk Factor No. 32 to Top 10

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

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

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

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

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

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

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

Shifting Risk Factor No. 33 to Top 10

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

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

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

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

Insert new risk factor in Top 10:

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

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

Gross Margin Analysis

(₹ in Lakhs)

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

Note:

(1) 2025-26- The amount of 570.77 lakhs includes 481.93 lakhs of depreciation on plant and machinery.

(2) 2024-25- The amount of 387.90 lakhs includes 323.82 lakhs of depreciation on plant and machinery;

(3) 2023-24- The amount of 557.99 lakhs includes 447.23 lakhs of depreciation on plant and machinery.

Entity-wise Profitability

(₹ in Lakhs)

Entity Name	FY 2026	FY 2025	FY 2024
Ambica Cotseeds Limited	-	33.54	32.85
Vivekanand Industries	-	8.14	22.44
Avadh Cotton Industries	-	1.67	2.37

Update Risk Factor No. 14

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

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

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

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

Below are the Attrition Rate of our company:

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

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

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

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

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

Shifting Risk Factor No. 43 to Top 15

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

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

(₹ in Lakhs)

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

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

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

Shifting Risk Factor No. 46 to Top 15

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

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

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

GST R1:

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
GST R1			
Apr-2023	5/11/2023	5/10/2023	0
May-2023	6/11/2023	6/9/2023	0
Jun-2023	7/11/2023	7/11/2023	0
Jul-2023	8/11/2023	8/10/2023	0
Aug-2023	9/11/2023	9/6/2023	0
Sep-2023	10/11/2023	10/6/2023	0
Oct-2023	11/11/2023	11/4/2023	0
Nov-2023	12/11/2023	12/6/2023	0
Dec-2023	1/11/2024	1/10/2024	0
Jan-2024	2/11/2024	2/9/2024	0
Feb-2024	3/11/2024	3/8/2024	0
Mar-2024	4/11/2024	4/11/2024	0
Apr-2024	5/11/2024	5/11/2024	0
May-2024	6/11/2024	6/11/2024	0
Jun-2024	7/11/2024	7/10/2024	0
Jul-2024	8/11/2024	8/10/2024	0
Aug-2024	9/11/2024	9/11/2024	0
Sep-2024	10/11/2024	11/6/2024	26
Oct-2024	11/11/2024	11/11/2024	0
Nov-2024	12/11/2024	12/10/2024	0
Dec-2024	1/11/2025	1/11/2025	0
Jan-2025	2/11/2025	2/11/2025	0
Feb-2025	3/11/2025	3/11/2025	0
Mar-2025	4/11/2025	4/11/2025	0
Apr-2025	5/11/2025	5/10/2025	0
May-2025	6/11/2025	6/10/2025	0
Jun-2025	7/11/2025	7/11/2025	0
Jul-2025	8/11/2025	8/11/2025	0
Aug-2025	9/11/2025	9/11/2025	0
Sep-2025	10/11/2025	10/9/2025	0
Oct-2025	11/11/2025	11/11/2025	0
Nov-2025	12/11/2025	12/8/2025	0
Dec-2025	1/11/2026	1/10/2026	0

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
Jan-2026	2/11/2026	2/9/2026	0
Feb-2026	3/11/2026	3/11/2026	0
Mar-2026	4/11/2026	4/11/2026	0

GST-3B:

Month	Due date (mm/dd/yy)	Actual filing date(mm/dd/yy)	Delay (in days)
Apr-2023	5/20/2023	5/20/2023	0
May-2023	6/20/2023	6/20/2023	0
Jun-2023	7/20/2023	7/20/2023	0
Jul-2023	8/20/2023	8/19/2023	0
Aug-2023	9/20/2023	9/19/2023	0
Sep-2023	10/20/2023	10/20/2023	0
Oct-2023	11/20/2023	11/20/2023	0
Nov-2023	12/20/2023	12/19/2023	0
Dec-2023	1/20/2024	1/20/2024	0
Jan-2024	2/20/2024	2/20/2024	0
Feb-2024	3/20/2024	3/22/2024	2
Mar-2024	4/20/2024	4/20/2024	0
Apr-2024	5/20/2024	5/20/2024	0
May-2024	6/20/2024	6/20/2024	0
Jun-2024	7/20/2024	7/20/2024	0
Jul-2024	8/20/2024	8/22/2024	2
Aug-2024	9/20/2024	10/05/2024	15
Sep-2024	10/20/2024	11/7/2024	18
Oct-2024	11/20/2024	11/20/2024	0
Nov-2024	12/20/2024	12/20/2024	0
Dec-2024	1/20/2025	1/22/2025	2
Jan-2025	2/20/2025	2/20/2025	0
Feb-2025	3/20/2025	3/20/2025	0
Mar-2025	4/20/2025	4/20/2025	0
Apr-2025	5/20/2025	5/20/2025	0
May-2025	6/20/2025	6/20/2025	0
Jun-2025	7/20/2025	7/19/2025	0
Jul-2025	8/20/2025	8/20/2025	0
Aug-2025	9/20/2025	9/20/2025	0
Sep-2025	10/20/2025	10/18/2025	0
Oct-2025	11/20/2025	11/20/2025	0
Nov-2025	12/20/2025	12/20/2025	0
Dec-2025	1/20/2026	1/20/2026	0
Jan-2026	2/20/2026	2/20/2026	0
Feb-2026	3/20/2026	3/20/2026	0
Mar-2026	4/20/2026	4/20/2026	0

EPF Payments:

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

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

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

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

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

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

Inserting New Risk Factor to Top 20

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

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

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

Shifting Risk Factor No. 48 to Top 20

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

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

(₹ in Lakhs except Percentage)

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

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

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

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

Insert new risk factor in Top 20:

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

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

Update under Risk factor No. 22 of DRHP

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

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

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

Shifting Risk Factor No. 68 to Top 25

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

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

Update under Risk factor No. 26 of DRHP

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

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

(₹ in Lakhs)

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

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

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

(₹ in Lakhs)

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

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

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

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

Related Party-wise Raw Material Purchases

(₹ in Lakhs)

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

Raw Material Procurement Analysis

(₹ in Lakhs)

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

For further details, please refer to chapter titled “Business Overview” on page 140 of this Draft Red Herring Prospectus.

Update under Risk factor No. 28 of DRHP

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

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

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

(₹ in Lakhs)

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

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

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

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

Update under Risk factor No. 31 of DRHP

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

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

Update under Risk factor No. 35 of DRHP

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

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

Omission of Risk Factor 50 of DRHP

Certain of our Directors were previously associated with companies that have been struck off from the register of companies. Any adverse perception arising from such associations may affect the reputation of our Company.

Certain of our Directors were previously associated, in their capacity as directors and/or shareholders, with companies that have subsequently been struck off from the register of companies maintained by the jurisdictional Registrar of Companies. Such strike-offs were undertaken pursuant to voluntary applications made by the respective companies under the applicable provisions

~~of the Companies Act, 2013 and were not the result of any regulatory enforcement action, fraud, misconduct or investigation involving such Directors, to the best of our knowledge.~~

~~Although none of our Directors is presently disqualified from acting as a director under applicable law and such strike-offs do not have any direct bearing on the operations of our Company, investors may perceive such associations negatively. Any adverse publicity, scrutiny or negative perception arising from the past association of our Directors with such struck-off entities could adversely affect the reputation, credibility and market perception of our Company.~~

~~Further, if any claims, liabilities, proceedings or obligations relating to such struck-off companies are revived or asserted in the future, our Directors may be required to devote time and resources in addressing such matters. Any such event may adversely affect the reputation of our Company and could have a material adverse effect on our business, financial condition, results of operations and prospects.~~

Inserted Risk Factor 87:

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

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

SECTION III – INTRODUCTION

SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

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

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

SUMMARY OF RELATED PARTY TRANSACTIONS

Particulars	For the year ended March 31, 2026	% of revenue	For the period ended March 31, 2025	% of revenue	For the period ended August 04, 2024	% of revenue	For the year ended March 31, 2024	% of revenue
Transfer of Company Loan to Director**								
Jasmin Vishnubhai Patel	-	0.00%	8.62	0.03%	-	0.00%	-	0.00%

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

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

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

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

1. Transactions with Ambica Cotseeds Limited

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

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

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

Accordingly, transactions with Ambica Cotseeds Limited enable:

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

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

2. Transactions with Vivekanand Industries

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

- Cotton Seed Oil;

- Wash Oil; and
- Cotton Seed Oil Cake.

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

Accordingly, transactions with Vivekanand Industries facilitate:

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

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

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

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

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

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

SECTION IV - GENERAL INFORMATION

BRIEF INFORMATION ON THE COMPANY AND THE ISSUE

Particulars	Details
Company Secretary / Compliance Officer	Mr. Ankit Sanchiher; S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana- 382715 , Gujarat, India; Tel. No.: +91 9227825102; E-mail: cs@vcottonexport.com ; Website: www.vcottonexport.com

SECTION V – CAPITAL STRUCTURE

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

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

* Rounded off;

**There are no additional public shareholders other than promoters;

(1) There are one (1) Promoter Group Shareholders, i.e., Preet Vishnubhai Patel;

(2) Includes all options that have been exercised until date of Draft Red Herring Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Draft Red Herring Prospectus;

(3) Based on the Issue price of ₹ [●]/- and subject to finalization of the basis of allotment.

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

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

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)	Nature of Consideration	Total Consideration Paid/Received (₹ in Lakhs)	Pre-Issue Shareholding %	Post-Issue Shareholding %
Ranjanben Bharatbhai Patel									
September 30, 2024	Transfer (vii)	100	100	10	10.95	Cash	0.01	Negligible	[●]
March 25, 2026	Right Issue	8	108	10	64.00	Cash	Negligible	Negligible	[●]
Total H		108					Negligible	Negligible	[●]

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

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

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In ₹)*#
Ranjanben Bharatbhai Patel	108	14.88

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

#Rounded Off.

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

Date of Transaction	Number of Equity Shares Allotted/Acquired/(Sold)	Face Value (Rs.)	Issue Price/Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/Transferor/transferee	Category
March 25, 2026	8	10.00	64.00	Right Issue	Cash	Ranjanben Bharatbhai Patel	Promoter

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

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/Acquired/Transfer	No. of shares Allotted/Acquired/Transferred	Face Value (Rs.)	Issue Price/Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Ranjanben Bharatbhai Patel								
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total			[●]			[●]		

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

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

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

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

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

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

SECTION VI – PARTICULARS OF THE ISSUE

OBJECT OF THE ISSUE

Details of Utilization of Net Proceeds

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

1. Capital Expenditure requirements towards funding new Plant & Machinery

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

Total Area required for Proposed Machinery Installation

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

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

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

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

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

Area required for additional Plant & Machinery:

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

Existing Installed Capacity and Utilisation:

(Quantity in Metric Tonnes)

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

As certified by Multi Engineers Private Limited, Chartered Engineer vide certificate dated June 03, 2026.

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

The proposed machinery is expected to:

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

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

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

S. No.	Machinery	Purpose
1	Comber Machine	To manufacture combed yarn by removing short fibres and impurities, thereby improving yarn quality and enabling manufacture of value-added yarn.
2	Compact Spinning System	To improve fibre alignment, reduce yarn hairiness, enhance yarn strength and facilitate manufacture of compact yarn.
3	Automatic Cone Winding Machine (Link Coner with 1 Cop Robo comprising 44 Drums on 44 Frames)	To automate yarn winding, reduce manual handling, minimise yarn breakage and wastage and improve operational efficiency.

2. To meet Working Capital requirements:

Holding Levels Table are as below on the basis of historical trend and future projections:

Particulars	For the Financial Year Ended, 31 st March (Restated)			For the Financial Year Ended, 31 st March (Projected)	
	2024	2025	2026	2027	2028
	(Number in Days)				
Trade Receivables ⁽¹⁾	6	9	12	12	14
Trade Payables ⁽²⁾	10	14	4	2	3
Inventory Day	23	29	20	27	30
Working Capital Cycle	20	24	29	37	41

⁽¹⁾ Ageing Analysis of Receivables from Related Parties

Customer Name	Nature of Transaction	Average Collection Period / Receivable Days
Ambica Cotseeds Limited	Sale of Cotton Yarn / Cotton Bales	2 – 5 Days
Vivekanand Industries	Sale of Cotton Seed / Cotton Bales	2 – 4 Days

⁽²⁾ Ageing Analysis of Payables to Related Parties

Supplier Name	Nature of Transaction	Average Payment Period / Payable Days
Ambica Cotseeds Limited	Purchase of Cotton Bales / Cotton Yarn	4 – 6 Days
Vivekanand Industries	Purchase of Cotton Bales	4 – 7 Days
Ambica Cotseeds Pte. Ltd.	Purchase of Cotton Bales	17 Days

Avadh Cotton Industries	Purchase of Cotton Bales	35 Days
Kapilaben Vishnubhai Patel	Purchase of Kapas (Raw Cotton)	50 Days
Kantaben Prahladbhai Patel	Purchase of Kapas (Raw Cotton)	86 Days
Bharatbhai Prahladbhai Patel	Purchase of Kapas (Raw Cotton)	86 Days

Comparison with Non-Related Parties

Particulars	Related Parties	Non-Related Parties
Average Collection Period	2 – 5 Days	10 – 13 Days
Average Payment Period	4 – 17 Days	3 – 4 Days

Key Assumption and Justification for holding levels:

Key Assumption and Justification for holding levels:

Particulars	Assumption & Justification							
Trade Receivables	The company's average debtor holding period stood at 6 days in FY2024, 9 days in FY2025, and 12 days in FY2026. Looking forward to the fiscal years 2027 and 2028, we project maintaining debtor holding periods at approximately 12 days and 14 days, respectively. The increase in debtor days from 12 to 14 days is primarily driven by the company's strategic decision to extend slightly higher credit support to customers. This approach enables the company to maintain stronger pricing power, improve customer retention, and strengthen its negotiation position in a competitive market environment. The additional credit period is being selectively provided to quality customers with established payment history and is aligned with industry practices. Management believes this supports revenue growth and long-term customer relationships without materially impacting recoverability or overall working capital quality.							
	The increase in trade receivables from ₹230.83 lakh as at March 31, 2024 to ₹1,522.16 lakh as at March 31, 2025 and the subsequent reduction to ₹1,176.73 lakh as at March 31, 2026 is attributable to the timing of sales, the customer mix and the normal credit cycle of the business.							
	The Company caters to both domestic and export customers. In the case of export sales, collections are generally backed by Letters of Credit (LCs) and the payment cycle normally ranges between 30 to 90 days, depending upon the agreed commercial terms, shipment schedules and banking procedures. Consequently, export sales made towards the end of the financial year remain outstanding as trade receivables as on the balance sheet date and are realized in the subsequent period.							
	The movement in trade receivables is also reflected in the trade receivable days, which remained at a reasonable level throughout the review period:							
	<table><tr><th>Particulars</th><th>FY 2024</th><th>FY 2025</th><th>FY 2026</th></tr><tr><td>Trade Receivable Days</td><td>6 Days</td><td>9 Days</td><td>12 Days</td></tr></table>	Particulars	FY 2024	FY 2025	FY 2026	Trade Receivable Days	6 Days	9 Days
Particulars	FY 2024	FY 2025	FY 2026					
Trade Receivable Days	6 Days	9 Days	12 Days					
	Even though the absolute value of trade receivables increased during the review period, the trade receivable days increased only from 6 days to 12 days, which continues to be well within normal industry parameters considering the Company's increasing export business and the customary credit period applicable to export transactions. We had reviewed the ageing of trade receivables and subsequent realizations and confirms that the trade receivables are considered good and recoverable in the ordinary course of business. Accordingly, the increase in trade receivables represents a normal consequence of the Company's business growth, higher export sales and year-end sales pattern and does not indicate any deterioration in credit quality, collection efficiency or liquidity position of the Company.							
Inventory	During the fiscal years ended March 2024, March 2025, and March 2026, the Company maintained inventory holding periods of 23 days, 29 days, and 20 days, respectively. The inventory cycle remained within a manageable range during the historical period, reflecting efficient inventory management practices and effective alignment of procurement with production and sales requirements. The increase in inventory holding period during FY 2025 was primarily attributable to higher stocking of raw materials and finished goods to ensure uninterrupted manufacturing							

Particulars	Assumption & Justification
	operations and timely execution of customer orders. For the projected fiscal years ending March 2027 and March 2028, the inventory holding period is estimated at approximately 27 days and 30 days, respectively. The projected increase is primarily attributable to the Company's strategy of maintaining inventory equivalent to approximately one month of operational requirements. This approach is intended to mitigate the impact of fluctuations in raw material prices, reduce procurement-related supply disruptions, and ensure continuous availability of materials for production and timely fulfilment of customer orders. Historically, the Company maintained inventory levels of approximately 20 days; however, frequent procurement from the open market exposed the business to raw material price volatility. Accordingly, the proposed inventory levels are expected to enhance supply chain stability, improve operational efficiency, and support business continuity.
Trade Payables	The Company's average trade payable holding period stood at 10 days in FY 2024, 14 days in FY 2025, and 4 days in FY 2026. The fluctuations during the historical period were primarily attributable to changes in procurement patterns, timing of raw material purchases, and payment schedules adopted by the Company based on operational requirements and supplier arrangements. For the projected fiscal years ending March 2027 and March 2028, the trade payable holding period is estimated at approximately 2 days and 3 days, respectively. The projected lower payable period reflects the Company's procurement strategy of making timely payments to key suppliers in order to secure favourable commercial terms, ensure uninterrupted supply of critical raw materials, and strengthen long-term supplier relationships. Management believes that maintaining lower payable days will support procurement efficiency and supply chain reliability while enabling the Company to negotiate competitive pricing and ensure continuity of operations.

BASIS FOR ISSUE PRICE

3. Peer bench marking for working capital in the segment in which the company operates:

Particulars	FY 2023-24	FY 2024-25	FY 2025-26
Vivekanand Costspin Limited	1,362	2,923	3,542
Lagnam Spintex Limited	15,817	20,028	19,455
Deepak Spinners Limited	9,713	8,807	9,260

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

c. Comparison of KPI with listed industry Peers:

Particulars	Vivekanand cotspin Limited			Deepak Spinners Limited			Lagnam Spintex limited		
	As of and for the Fiscal			As of and for the Fiscal			As of and for the Fiscal		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81	53,416.0	52,406.7	47,097.8	60,498.05	60,556.46	43,750.24
Total revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62	53,862.0	52,636.4	47,377.8	60,523.19	60,593.64	43,778.98
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46	2,010.0	504.9	2,207.4	6,683.69	6,530.44	4,507.86
EBITDA Margin (%)	3.70%	3.99%	4.08%	3.76%	0.96%	4.69%	11.05%	10.78%	10.30%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33	364.0	-1,019.0	130.3	1,438.98	1,285.47	1,457.32
PAT Margin (%)	0.90%	1.35%	0.94%	0.68%	-1.94%	0.28%	2.38%	2.12%	3.33%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%	1.60%	-4.43%	0.55%	11.23%	11.19%	13.38%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%	1.15%	-4.45%	1.83%	9.40%	9.23%	6.99%
Debt To Equity Ratio	1.56	3.17	1.94	0.13	0.16	0.18	2.64	3.21	0.05
Current Ratio	1.09	1.12	0.79	2.84	2.35	2.51	5.79	7.97	2.11
Net Capital Turnover Ratio	12.62	17.08	19.06	6.28	6.45	5.19	3.11	3.02	0.27

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA is calculated as profit before tax plus depreciation & amortization expense, exceptional items and interest costs minus other income.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.
- Return on equity (RoE) is equal to profit after tax for the year divided by the average total equity during that period and is expressed as a percentage.
- Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus interest expenses divided by Capital Employed.* Capital Employed = Total Equity + Non-current borrowing + Current Borrowing + Deferred Tax liabilities - Deferred Tax Assets
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our average working capital (i.e., current assets less current liabilities).

- j) *All information relating to the listed industry peers has been sourced from their respective standalone audited financial statements, which are publicly available. As the disclosure is based solely on publicly available information of listed companies, no specific approval is required for inclusion of their names or such information in the DRHP.*

SECTION VII – ABOUT OUR COMPANY

BUSINESS OVERVIEW

OVERVIEW

Our company is engaged in the business of cotton processing and yarn manufacturing, comprising ginning of raw cotton (kapas) into cotton bales and cotton seed, and spinning of cotton bales into cotton yarn. In addition to its manufacturing activities, the Company also undertakes trading of cotton bales and cotton yarn in the ordinary course of business to meet customer requirements and optimize business opportunities. ~~sector by way of Ginning of cotton and spinning of cotton yarn along with its trading~~

VALUE ADDITION BY RELATED PARTIES AT DIFFERENT STAGES

A. Vivekanand Industries

Cotton seed generated during the ginning process is sold to Vivekanand Industries.

Vivekanand Industries possesses dedicated machinery and infrastructure for processing cotton seed into:

- Cotton Seed Oil
- Wash Oil
- Cotton Seed Oil Cake

Accordingly, Vivekanand Industries adds value by converting a by-product generated by the Issuer Company into commercially marketable products. In addition to cotton seed processing, Vivekanand Industries is also engaged in cotton ginning and supply of cotton bales.

Vivekanand Industries received customer orders requiring specific quality specifications, quantities and delivery schedules. In certain cases, its own production and inventory were not sufficient to meet such customer requirements. Accordingly, Vivekanand Industries procured cotton bales from Vivekanand Cotspin Limited to fulfil these customer commitments in a timely manner.

B. Ambica Cotseeds Limited

Ambica Cotseeds Limited is engaged in domestic and international trading of cotton bales and cotton yarn.

The company has established:

- Export customer relationships
- International marketing network
- Export documentation capabilities
- Banking and foreign trade facilities

Accordingly, cotton yarn and cotton bales manufactured by the Issuer Company are sold to Ambica Cotseeds Limited, which exports the products to international customers.

C. Ambica Cotseeds Pte. Ltd., Singapore

Ambica Cotseeds Pte. Ltd. is engaged in merchant trading of cotton bales in international markets.

The company provides:

- International sourcing
- Overseas market access
- Global customer relationships
- International trade facilitation

D. Avadh Cotton Industries

Avadh Cotton Industries was incorporated in **June 1998** and was engaged in the business of cotton ginning and trading of cotton bales.

Entity	Business Activity	Value Addition
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Vivekanand Cotspin Limited	Ginning and Spinning	Converts raw cotton into cotton bales and cotton yarn
Vivekanand Industries	Ginning & Cotton Seed Processing	Converts raw cotton into cotton bales & Converts cotton seed into cotton seed oil and cotton seed oil cake
Ambica Cotseeds Limited	Trading and Export	Facilitates exports through established international network
Ambica Cotseeds Pte. Ltd.	Merchant Trading	International sourcing and overseas trade facilitation

STRUCTURAL ADVANTAGE BY RELATED PARTY ON VALUE ADDITION

The group structure has evolved based on operational requirements, market specialization and value-chain integration, wherein each entity performs a distinct business function. The structure provides operational, commercial and strategic benefits to the Issuer Company as detailed below:

1. Access to Established Export Markets through Ambica Cotseeds Limited

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

The company possesses:

- Established relationships with overseas customers;
- Export marketing and distribution network;
- Expertise in export documentation and compliance;
- Strong banking and trade finance arrangements; and
- Experience in managing international logistics and foreign trade operations.

Given the relatively limited presence of downstream textile industries such as weaving, knitting and garment manufacturing in the domestic market, a significant portion of cotton yarn and cotton bales produced by the Issuer Company is ultimately sold in export markets. Through Ambica Cotseeds Limited, the Issuer Company is able to access international customers and export opportunities without having to independently develop and maintain a separate export infrastructure.

Accordingly, the arrangement enables:

- Wider market reach and customer diversification;
- Improved export penetration;
- Efficient execution of export orders;
- Better working capital management through established banking channels; and
- Reduced operational complexities associated with international trade.

2. Value Addition and Monetization of By-products through Vivekanand Industries

During the ginning process undertaken by the Issuer Company, cotton seed is generated as a by-product. Vivekanand Industries possesses dedicated infrastructure and machinery for processing cotton seed into value-added products such as:

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

Accordingly, instead of disposing cotton seed as a raw commodity, the group structure enables further processing and value addition through Vivekanand Industries, thereby enhancing overall realization from the cotton value chain.

This arrangement provides the following benefits:

- Efficient utilization of by-products generated by the Issuer Company;
- Creation of additional value through downstream processing;
- Reduction in inventory handling and storage requirements for the Issuer Company; and
- Availability of a stable and regular off-take channel for cotton seed generated during operations.

3. Order Fulfilment and Market Reach

Vivekanand Industries occasionally receives customer orders for cotton bales that exceed its own production capacity. In such instances, products are sourced from the Issuer Company for onward supply to customers.

This enables:

- Better utilization of the Issuer Company's production capacity;
- Access to additional customer relationships developed by Vivekanand Industries;
- Increased market reach; and
- Improved inventory turnover.

4. Operational Specialization

Each entity within the group specializes in a particular segment of the cotton value chain:

Entity	Core Activity
Vivekanand Cotspin Limited	Cotton Ginning and Cotton Yarn Manufacturing
Ambica Cotseeds Limited	Domestic and International Trading / Exports
Vivekanand Industries	Cotton Ginning & Cotton Seed Processing and Oil Extraction
Ambica Cotseeds Pte. Ltd., Singapore	International Merchant Trading and Sourcing

Such specialization allows each entity to focus on its core competencies, resulting in operational efficiency and improved execution capabilities.

OUR PRODUCT PORTFOLIO

Product Name	Product Photo	Description															
Cotton Yarn Waste		Cotton yarn waste is an inevitable byproduct of the yarn manufacturing process, arising from pre-processing, spinning, and post-processing stages. It includes short fibers, broken yarn, trimmings, and packaging waste. By improving production efficiency and adopting sustainable practices, such companies minimize waste generation, contributing to both cost savings and environmental conservation. Proper waste management helps in promoting a circular economy within the textile industry.															
		<table><tr><th>Type of Waste</th><th>Stage of Generation</th><th>End Use / Disposal</th></tr><tr><td>Comber Noil</td><td>Generated during the combing process where short fibres, neps and impurities are removed from cotton sliver.</td><td>Sold to textile manufacturers and open-end spinning units for manufacture of coarse-count yarn, absorbent cotton, medical cotton products and other recycled textile products.</td></tr><tr><td>Hard Waste</td><td>Generated from yarn breakages, machine cleaning, piecing operations and hard yarn waste during spinning and winding.</td><td>Sold to recyclers and spinning units for fibre recovery and manufacture of regenerated yarn and other textile products.</td></tr><tr><td>Sweeping Waste</td><td>Generated from regular cleaning of production floors and collection of loose cotton fibres during manufacturing.</td><td>Sold to recyclers after segregation for recovery of reusable cotton fibres and manufacture of lower-grade textile products.</td></tr><tr><td>Flat</td><td>Generated from the</td><td>Sold to recvclers</td></tr></table>	Type of Waste	Stage of Generation	End Use / Disposal	Comber Noil	Generated during the combing process where short fibres, neps and impurities are removed from cotton sliver.	Sold to textile manufacturers and open-end spinning units for manufacture of coarse-count yarn, absorbent cotton, medical cotton products and other recycled textile products.	Hard Waste	Generated from yarn breakages, machine cleaning, piecing operations and hard yarn waste during spinning and winding.	Sold to recyclers and spinning units for fibre recovery and manufacture of regenerated yarn and other textile products.	Sweeping Waste	Generated from regular cleaning of production floors and collection of loose cotton fibres during manufacturing.	Sold to recyclers after segregation for recovery of reusable cotton fibres and manufacture of lower-grade textile products.	Flat	Generated from the	Sold to recvclers
		Type of Waste	Stage of Generation	End Use / Disposal													
		Comber Noil	Generated during the combing process where short fibres, neps and impurities are removed from cotton sliver.	Sold to textile manufacturers and open-end spinning units for manufacture of coarse-count yarn, absorbent cotton, medical cotton products and other recycled textile products.													
		Hard Waste	Generated from yarn breakages, machine cleaning, piecing operations and hard yarn waste during spinning and winding.	Sold to recyclers and spinning units for fibre recovery and manufacture of regenerated yarn and other textile products.													
		Sweeping Waste	Generated from regular cleaning of production floors and collection of loose cotton fibres during manufacturing.	Sold to recyclers after segregation for recovery of reusable cotton fibres and manufacture of lower-grade textile products.													
Flat	Generated from the	Sold to recvclers															

Product Name	Product Photo	Description		
		Waste	carding process through removal of impurities, short fibres and trash collected on card flats.	and textile processors for fibre recovery, open-end spinning and manufacture of absorbent cotton and other cotton-based products.
		Licker-in Waste	Generated at the licker-in section of the carding machine while removing dust, seed coat particles, leaf matter and other impurities from raw cotton.	Sold to recyclers for recovery of usable fibres, while non-fibrous impurities are disposed of in accordance with applicable waste management practices.

OUR REVENUE DISTRIBUTION

PRODUCT WISE REVENUE DISTRIBUTION

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.56
Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54
Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31
Total	40,397.70	100.00	28,900.01	100.00	7,467.46	100.00	35,387.91	100.00

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

REVENUE BIFURCATION BETWEEN MANUFACTURING AND SALE OF SERVICES

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Manufacturing	40,397.70	99.01	28,900.01	99.50	7,467.46	98.95	35,294.91	98.76
Sale of Services	-	0.00	-	0.00	-	0.00	93	0.26
Other operating revenues	403.31	0.99	146.68	0.50	79.22	1.05	350.89	0.98
Total	40,801.01	100.00	29,046.69	100.00	7,546.68	100.00	35,738.80	100.00

OUR COMPETITIVE STRENGTHS

1. Forward Integration:

Our Company is engaged in the business of processing of raw cotton by way of Ginning of cotton and spinning of cotton yarn. The raw material for the ginning unit is raw cotton which is generally procured from the local areas and the raw material for cotton spinning is ginned cotton which is the finished product of the ginning unit. The setting up of the Spinning Unit has resulted into the forward integration into the cotton textile industry.

The product-wise bifurcation of sales is as follows:

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.56
Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54
Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31
Total	40,397.70	100.00	28,900.01	100.00	7,467.46	100.00	35,387.91	100.00

*Other includes sale of scrap waste and Job work income etc.

This forward integration strategy helps the company benefit from control over its supply chain, reduce reliance on external suppliers for processed cotton, and potentially increase profitability by moving further down the value chain. Additionally, it positions the company strategically in the textile industry, enabling it to meet the demands of textile mills and other fabric manufacturers effectively.

INTELLECTUAL PROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

S. No	Brand Name/Logo Trademark	Class	Application number and Date	Owner	Authority	Current Status
1.	Device” VIVEKANAND COTSPIN” 	23	6815873 Dated January 21, 2025	M/s. Vivekanand Cotspin Limited	Trademark Registry, Ahmedabad	Objected

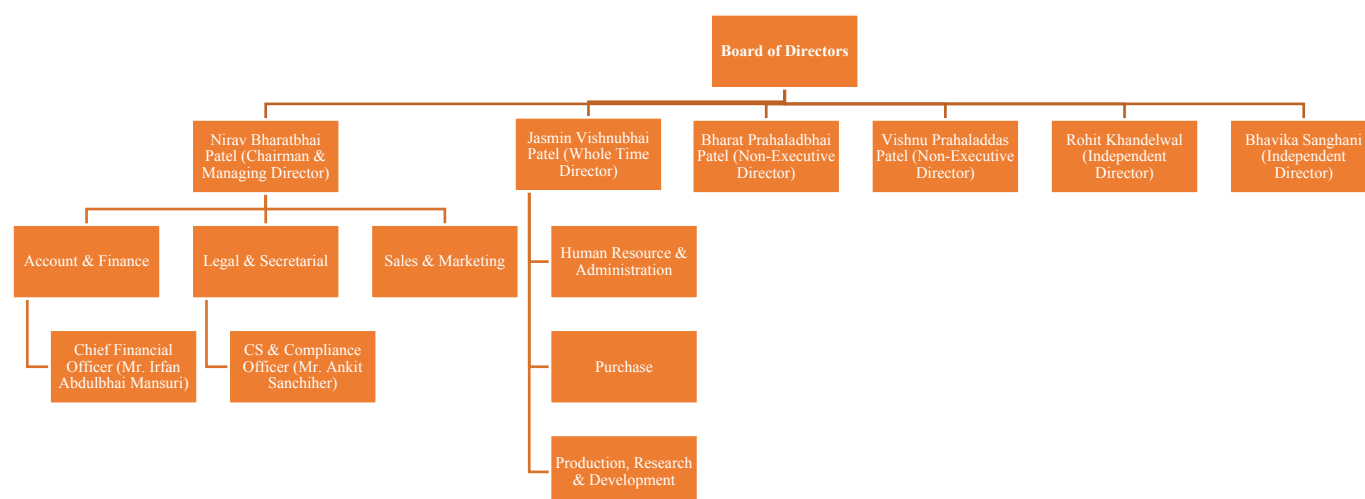
OUR MANAGEMENT

S. No	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
6.	Bhavika Sanghani; Father Name: Hitendra Shah; Date of Birth: November 11, 1991; Age: 34 Years; Designation: Independent Director; Address: Flat No. 1803, Bldg No. 1, Paraiso, Near Arihant Bldg Padle Gaon, Kalyan Shil Main Road, Kalyan Thane, Maharashtra- 421204, India; Experience: More than 6 Years in the secretarial functions and corporate governance; Occupation: Service; Qualifications: Company Secretary, Bachelor of Business Administration; Nationality: Indian; DIN: 10492381.	Appointed as an Additional Independent Director w.e.f. April 16, 2026. Further regularised as Non-Executive Independent Director w.e.f. April 23, 2026 for 5 Years and shall not be liable to retire by rotation.	Nil	Indian Companies: NIL. ➤ Decean — Health Care Limited. Foreign Companies: NIL.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

S. No.	Name	Date & Nature of Change	Reasons for Change
6.	Neha Agarwal	Appointed as an Additional Director w.e.f. January 17, 2025	The office of director was vacate on account of her respective resignations due to personal reasons and other professional commitments.
		Regularisation as Non-Executive Independent Director w.e.f. January 17, 2025	
		Cessation from the post of Directorship w.e.f. December 09, 2025	
7.	Amitaben Hiteshbhai Patel	Appointed as an Additional Director w.e.f. December 09, 2025	The office of director was vacate on account of her respective resignations due to personal reasons and other professional commitments.
		Regularisation as Non-Executive Independent Director w.e.f. December 17, 2025	
		Cessation from the post of Directorship w.e.f. April 09, 2026	
8.	Himul Dasharathabhai Patel	Appointed as an Additional Director w.e.f. December 09, 2025	The office of director was vacate on account of his respective resignations due to personal reasons and other professional commitments.
		Regularisation as Non-Executive Independent Director w.e.f. December 17, 2025	
		Cessation from the post of Directorship w.e.f. April 09, 2026	
		Regularisation as Non-Executive Independent Director w.e.f. April 23, 2026	

MANAGEMENT ORGANISATION STRUCTURE



CORPORATE GOVERNANCE

2. Stakeholders Relationship Committee:

Our Company has formed the Stakeholders Relationship Committee **as per the applicable provisions of the Section 178 of the Companies Act, 2013 and also to comply with** Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated April 16, 2026. The constituted Stakeholders Relationship Committee comprises the following:

OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2026 (in ₹ Lakhs)	Over all experience (in years)	Previous employment
Name: Ankit Sanchiher Designation: Company Secretary & Compliance Officer Qualification: Company Secretary and B.com	36	Company Secretary w.e.f June 29, 2026	NA	More than 3 Years in the field of secretarial and corporate law compliances	GTPL Hathway Limited

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Ankit Sanchiher

Ankit Sanchiher, aged 36 Years is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary. He was appointed as Company Secretary and Compliance Officer of our Company on June 29, 2026. He has experience of more than 3 years in the field of secretarial and corporate law compliances. He plays a critical role in overseeing the company's corporate governance and ensuring adherence to regulatory requirements. He is responsible for managing all aspects of secretarial compliance and corporate governance, contributing to the company's adherence to legal and regulatory standards.

CHANGES IN THE KEY MANAGERIAL PERSONNEL IN LAST THREE YEARS

S. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
5.	Komal Vijaybhai Chauhan	Company Secretary & Compliance Officer	Cessation as Company Secretary & Compliance Officer w.e.f June 29, 2026	To ensure better Corporate Governance
6.	Ankit Sanchiher	Company Secretary & Compliance Officer	Appointed as Company Secretary & Compliance Officer w.e.f June 29, 2026	To ensure better Corporate Governance

OUR PROMOTERS & PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Nirav Bharatbhai Patel, Jasmin Vishnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel, Gautam Bharatkumar Patel, B P Patel Family Trust, V P Patel Family Trust, **Ranjanben Bharatbhai Patel and Kapilaben Vishnubhai Patel** are the promoters of our Company.

As on the date of this Draft Red Herring Prospectus, Our Promoters, collectively holding **1,62,49,892** Equity Shares which constitute 100% of the issued and paid-up Equity Share capital of our Company. For details see “Capital Structure”, on page 74 of this Draft Red Herring Prospectus.

Details of our Individual Promoters:

	Ranjanben Bharatbhai Patel	
	Qualification	No such qualification
	Date of Birth	01/06/1964
	Age	62 Years
	Address	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715
	Experience	-
	Occupation	Homemaker
	Permanent Account Number	ABRPP8457E
	No. of Equity Shares held in VCL [% of Shareholding (Pre Issue)]	108 Equity Shares of ₹ 10 each; 0.00% of Pre-Issue Paid Up Capital
	DIN	-
	Other Interests	Companies/LLP: Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)
		Partnership Firm(s): a. Balaji Oil Mill Ginning & Pressing Factory b. Vivekanand Industries HUF: Patel Prahladbhai Chimanlal HUF Trust: B P Patel Family Trust (Trustee)
	Kapilaben Vishnubhai Patel	
	Qualification	Senior Secondary
	Date of Birth	24/07/1971
	Age	55 Years
	Address	12, Mahalaxmi Society, Karannagar Road, Kadi, Mahesana, Gujarat- 382715
	Experience	-
	Occupation	Homemaker
	Permanent Account Number	ABRPP8466H
	No. of Equity Shares held in VCL [% of Shareholding (Pre Issue)]	Nil
	DIN	-
	Other Interests	Companies/LLP: Truepay Finance Private Limited (Formerly known as Jain Finscap Private Limited)
		Partnership Firm(s): a. Balaji Oil Mill Ginning & Pressing Factory b. Vivekanand Industries c. Avadh Cotton Industries HUF: Patel Prahladbhai Chimanlal HUF

		Trust: V P Patel Family Trust (Trustee)
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Other Confirmations:

Except as mentioned below, none of our Promoters or individuals forming part of our Promoter Group are appearing in the list of directors of struck-off (Voluntary) companies by the ROC or the MCA under Section 248 of the Companies Act.

Name of Promoters/Promoter Group	Designation	Name of Disassociating Entities	Date of Disassociation	Reason for Disassociation
Preet Vishnubhai Patel	Executive Director	Sun Ambica Energy Private Limited	February 19, 2024	Company have been struck off from the Register of ROC.
Nirav Bharatbhai Patel	Executive Director			

OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	RANJANBEN BHARATBHAI PATEL	KAPILABEN VISHNUBHAI PATEL
Father	Late Maganbhai Ambalal Patel	Late Maganbhai Ambalal Patel
Mother	Pashiben Maganbhai Patel	Pashiben Maganbhai Patel
Spouse	Bharatbhai Prahaladbhai Patel	Vishnubhai Prahaladdas Patel
Brother	Amrutlal Maganlal Patel Late Bharatbhai Manganlal Patel	Amrutlal Maganlal Patel Late Bharatbhai Manganlal Patel
Sister	Kapilaben Vishnubhai Patel Jyotsanaben Dashrathbhai Patel Hansaben Patel	Ranjanben Bharatbhai Patel Jyotsanaben Dashrathbhai Patel Hansaben Patel Sudhaben Patel
Son	Nirav Bharatbhai Patel Gautam Bharatkumar Patel	Jasmin Vishnubhai Patel Preet Vishnubhai Patel
Daughter	-	-
Spouse's Father	Late Prahaladbhai Chimanlal Patel	Late Prahaladbhai Chimanlal Patel
Spouse's Mother	Kantaben Prahaladbhai Patel	Kantaben Prahaladbhai Patel
Spouse's Brother	Vishnubhai Prahaladdas Patel	Bharatbhai Prahaladbhai Patel
Spouse's Sister	Renukaben D Patel	Renukaben D Patel

SECTION VIII – FINANCIAL INFORMATION

STATEMENT OF FINANCIAL INDEBTEDNESS

IV. The movement in Long-Term Borrowings during the review period is primarily attributable to the conversion of the Issuer from a Limited Liability Partnership (“LLP”) into a private limited company, subsequent capital restructuring.

Long Term Borrowing Bifurcation	As at 31.03.2026	As at 31.03.2025	As at 04.08.2024	As at 31.03.2024
Bank Finance – Term Loan	596.88	1,087.23	1,414.07	1,427.49
Unsecured Loans from Directors, Shareholders & Related Parties	661.71	1,861.71	31.07	2.00
Unsecured Loans from Others	-	-	367.00	357.31
Total Long-Term Borrowings	1,258.59	2,948.94	1,812.14	1,786.79

The increase in Long-Term Borrowings as on March 31, 2025 was primarily on account of the conversion of the erstwhile LLP into a private limited company with effect from August 5, 2024. Pursuant to such conversion, the balances standing in the partners' capital accounts were restructured. Out of the aggregate balance, ₹1,500 lakh was appropriated towards Share Capital and the remaining balance was reclassified as Unsecured Loans from Directors, Shareholders and Related Parties. Consequently, unsecured loans increased from ₹31.07 lakh as on August 4, 2024 to ₹1,861.71 lakh as on March 31, 2025.

Further, during FY 2025, the promoters also extended temporary unsecured financial assistance of approximately ₹400 lakh to support the Company's working capital requirements and business operations. The increase in unsecured loans was therefore primarily driven by the restructuring consequent to LLP conversion and promoter support, and not due to any financial stress or borrowing from external lenders.

During FY 2026, the Company strengthened its capital base through further capital contribution by the promoters aggregating approximately ₹800 lakh, which was appropriated towards Share Capital and Other Equity (Reserves & Surplus). Simultaneously, the Company repaid a substantial portion of the promoter unsecured loans from internal accruals and improved operating cash flows. As a result, unsecured loans from Directors, Shareholders and Related Parties reduced significantly from ₹1,861.71 lakh as at March 31, 2025 to ₹661.71 lakh as at March 31, 2026.

Further, the outstanding Bank Term Loan also reduced from ₹1,087.23 lakh to ₹596.88 lakh during FY 2026 due to scheduled repayments. Consequently, the total Long-Term Borrowings declined from ₹2,948.94 lakh as at March 31, 2025 to ₹1,258.59 lakh as at March 31, 2026.

Accordingly, the movement in Long-Term Borrowings reflects the impact of the LLP conversion, promoter-led capital restructuring and subsequent balance sheet strengthening, rather than any increase in external indebtedness. The reduction in borrowings during FY 2026 demonstrates the Company's focus on improving its capital structure, reducing leverage and enhancing its overall financial position. The Company has remained regular in servicing all its borrowing obligations and there has been no default or delay in repayment of principal or payment of interest to any lender during the review period.

V. The movement in Short-Term Borrowings during the review period is primarily attributable to the utilization of the Company's working capital facilities in line with the growth in business operations and seasonal working capital requirements.

Particulars	As at 31.03.2026	As at 31.03.2025	As at 04.08.2024	As at 31.03.2024
Current Maturity of Secured Long-Term Debt	490.25	490.25	601.36	636.06
Cash Credit from Bank	2,750.58	2,036.72	842.60	1,578.72
Total Short-Term Borrowings	3,240.83	2,526.97	1,443.96	2,214.78

The Company's short-term borrowings primarily comprise Cash Credit facilities sanctioned by banks for meeting working capital requirements and the current maturities of long-term borrowings.

The working capital borrowings are supported by current assets, including inventories and trade receivables, as summarized below:

Particulars (₹ in Lakhs)	As at 31.03.2026	As at 31.03.2025	As at 31.03.2024
Inventory	2,440.57	1,789.47	2,494.56
Trade Receivables	1,176.73	1,522.16	230.83

Total (Inventory + Trade Receivables)	3,617.30	3,311.63	2,725.39
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As evident from the above, the Company's investment in inventories and trade receivables has remained significant and has increased overall in line with the operational requirements of the business. The enhanced working capital facilities have therefore been utilized to finance these current assets and support the Company's day-to-day operations.

Further, the current maturity of secured long-term debt has remained broadly stable during the review period and represents the scheduled repayment obligations of term loans.

The Merchant Banker confirms that the increase in short-term borrowings is purely business-driven and relates to normal working capital requirements. The Company has remained regular in servicing its working capital facilities and term loans, and there has been no default or delay in repayment of principal or payment of interest to any lender during the review period.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

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

BRIEF FINANCIALS OF OUR COMPANY

Comparison of Financial Performance of Fiscal 2026 with Fiscal 2025

1. INCOME:

Total Revenue: During FY 2025-26, the company's total revenue increased to ₹ 40,932.15 Lakhs, from the amount of ₹ 36,651.25 Lakhs recorded in FY 204-2025.

Revenue from Operations: During FY 2025-26, revenue from operations increased to ₹40,801.01 lakhs from ₹36,593.38 lakhs in FY 2024-25. The growth in sales during the year was primarily driven by a significant increase in export revenue. Exports contributed 10.24% of the total revenue in FY 2025-26, as compared to 2.48% in FY 2024-25. Revenue from Operations increased by 11.50%, from ₹36,593.38 lakhs in Fiscal 2025 to ₹40,801.01 lakhs in Fiscal 2026. The increase was primarily driven by a significant growth in export sales. Export revenue contributed 10.24% of Revenue from Operations in Fiscal 2026 as compared to 2.48% in Fiscal 2025, along with sustained domestic demand.

Other Income: Other income for FY 2025-26 increased to ₹131.14 Lakhs from ₹ 57.87 Lakhs in FY 2024-25, during the previous financial year. The said increase was primarily attributable to a higher foreign exchange gain of ₹99.83 lakhs, resulting from increased export sales during the year as compared to FY 2024-25.

3. EBITDA and EBITDA Margin

EBITDA increased primarily due to higher sales volumes and improvement in operating efficiencies. The EBITDA margin improved mainly on account of higher contribution from export sales, reduction in power and fuel costs following commissioning of the solar power plant better absorption of fixed overheads owing to higher production volumes and effective control over other operating expenses.

Although finance costs and employee benefit expenses increased during the year due to higher working capital utilisation and annual salary increments, respectively, the improvement in operating performance more than offset these increases.

4. PROFIT:

Profit/ (Loss) Before Tax: The restated profit before tax for FY 2025-26 increased to ₹ 512.87 Lakhs as compared ₹ 457.74 Lakhs in FY 2024-25, representing an increase of approximately 12.04%. The improvement in profitability was primarily attributable to higher sales volumes during the year and savings in power & fuel cost.

Profit/ (Loss) After Tax: The restated profit after tax for FY 2025-26 decreased to ₹ 368.78 Lakhs as compared to ₹ 494.29 Lakhs in FY 2024-25, representing a decrease of approximately 25.3%. This decrease was mainly due to difference in deferred tax as earlier the company was a LLP and the applicable rate of tax was 34.94% but since now it is converted into a company the applicable tax rate is 25.17%, this creates reversal of DTL and this was booked in FY 2024-25 which resulted in lower tax and higher profit.

PAT Margin: The Revenue from Operations increased from ₹36,593.38 lakhs in FY 2024-25 to ₹40,801.01 lakhs in FY 2025-26, the profitability of the Company is influenced by various commercial, operational and taxation factors. Accordingly, an increase in revenue does not necessarily result in a proportionate increase in Profit After Tax ("PAT") or PAT margin.

Comparison of Financial Performance of Fiscal 2025 with Fiscal 2024

The following descriptions set forth information with respect to the key components of our profit and loss statement.

1. INCOME:

Total Revenue: The total revenue for FY 2024–25 comprises revenue generated by both the LLP prior to its conversion and the Company subsequent to the conversion.

Accordingly, the revenue for FY 2024–25 includes ₹7,546.69 lakhs earned by the LLP and ₹29,046.69 lakhs earned by the Company, aggregating to ₹36,593.38 lakhs. As compared to the total revenue of ₹35,738.81 lakhs for FY 2023–24, this represents a growth of approximately 2.39%, and therefore there is no decline in total revenue.

Revenue from Operations: During FY 2024–25, the Company’s revenue from operations increased to ₹36,593.38 lakhs from ₹35,738.81 lakhs in FY 2023–24, registering a growth of approximately 2%. The growth in revenue was primarily attributable to stable demand conditions. Revenue from Operations increased by 2.39%, from ₹35,738.80 lakhs in Fiscal 2024 to ₹36,593.38 lakhs in Fiscal 2025, primarily due to stable demand for the Company's products.

Other Income: During FY 2024-25, the Company’s other income increased to ₹57.87 Lakhs as compared to ₹62.81 Lakhs in FY 2023-24. This was mainly due to increase in interest income.

3. EBITDA and EBITDA Margin

EBITDA margin improved mainly due to lower operating costs. The principal factors contributing to the improvement were reduction in power and fuel expenses following commissioning of the solar power plant from May 2024, decrease in depreciation due to disposal of certain fixed assets; and reduction in employee benefit expenses. The above savings partially offset the impact of higher raw material prices, particularly cotton and kapas.

4. PROFIT:

Profit/ (Loss) Before Tax: The Restated Profit before Tax for FY 2024-25 has been significantly decreased to ₹ 473.65 Lakhs as against Profit before Tax of ₹ 524.24 Lakhs in the FY 2023-24. Despite the increase in revenue, the Company witnessed pressure on profit due to a higher increase in cost of goods sold. However, the Company undertook cost optimization measures during the year, resulting in reduction in other expenses which partially mitigated the impact of increased raw material costs.

Profit/ (Loss) After Tax: The restated Profit after Tax for FY 2024-25 has been increased to ₹ 494.29 Lakhs as against Profit after tax of ₹ 335.33 Lakhs in the FY 2023-24. The increase in PAT was mainly on account of deferred tax credit recognized during the year.

PAT Margin: The Company's Profit Before Tax increased from ₹457.74 lakhs in FY 2024-25 to ₹512.88 lakhs in FY 2025-26, reflecting an improvement in its underlying operating performance. However, the Profit After Tax for FY 2025-26 was comparatively lower primarily due to the higher tax charge recognised during the year. In contrast, FY 2024-25 benefited from a deferred tax credit, resulting in a comparatively higher PAT margin.

SECTION XIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Material Documents

15. Chartered Engineer Certificate from Multi Engineers (P) Ltd., dated June 03, 2026 regarding Capacity installed and utilized by the company;
21. Non-compete agreement dated March 24, 2026 with Ambica Cotseeds Limited, dated April 10, 2026 with Ambica Cotseeds Pte Limited, Vivekanand Industries, Avadh Cotton Industries;
22. Valuation Report, Akasam Consulting Private Limited, SEBI Registered Merchant Banker, dated March 12, 2026.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE CHAIRMAN & MANAGING DIRECTOR OF OUR COMPANY

Sd/-

Nirav Bharatbhai Patel

Chairman cum Managing Director

DIN: 02055489

Place: Mehsana

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE WHOLE-TIME DIRECTOR OF OUR COMPANY

Sd/-

Jasmin Visnubhai Patel

Whole Time Director

DIN: 06923150

Place: Mehsana

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE NON-EXECUTIVE DIRECTOR OF OUR COMPANY

Sd/-

Vishnubhai Prahladdas Patel

Non-Executive Director

DIN: 00375791

Place: Mehsana

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE NON-EXECUTIVE DIRECTOR OF OUR COMPANY

Sd/-

Bharatbhai Prahaladbhai Patel

Non-Executive Director

DIN: 00377202

Place: Mehsana

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

Bhavika Sanghani

Independent Director

DIN: 10492381

Place: Thane

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

Rohit Khandelwal
Independent Director
DIN: 07038360

Place: Indore

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

Ankit Sanchiher

Company Secretary and Compliance Officer

PAN: CXTPS8072A

Place: Mehsana

Date: August 03, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Addendum are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Irfan Abdulbhai Mansuri

Chief Financial Officer

PAN: ATDPM4532B

Place: Mehsana

Date: August 03, 2026



(Please scan this QR Code to view the DRHP and the Draft Abridged Prospectus)

Draft Abridged Prospectus
Dated: June 5, 2026
Please read section 26 and 32 of the Companies Act, 2013
100% Book Built Offer



VIVEKANAND COTSPIN LIMITED

(Formerly known as Vivekanand Cotspin Private Limited)

Corporate Identification Number: U13111GJ2024PLC154066

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON		EMAIL & TELEPHONE	WEBSITE
S/No 181/1, 182/1, At Rangpurda, Kadi, Mahesana - 382715, Gujarat, India		NA	Komal Vijaybhai Chauhan, Company Secretary and Compliance Officer		Tel. No.: +91 9227825102 E-mail: cs@vcottonexport.com	www.vcottonexport.com
PROMOTERS OF THE COMPANY: NIRAV BHARATBHAI PATEL, JASMIN VISHNUBHAI PATEL, BHARATBHAI PRAHALADBHAI PATEL, VISHNUBHAI PRAHALADDAS PATEL, GAUTAM BHARATKUMAR PATEL, B P PATEL FAMILY TRUST AND V P PATEL FAMILY TRUST						
DETAILS OF THE ISSUE						
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY		
Fresh Issue	Upto 65,00,000 Equity Shares of face value of ₹ 10/- each ("Equity Shares") aggregating to ₹ [●] Lakhs ("Issue")	Nil	[●] Lakhs	The Issue is being made pursuant to Regulation 229(1) and 253(1) of SEBI (ICDR) Regulations, 2018 as amended		
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES						
RISK IN RELATION TO THE FIRST ISSUE						
The face value of the Equity Shares is ₹10/- each. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 98 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.						
GENERAL RISKS						
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to chapter titled "Risk Factors" beginning on page 20 of this Draft Red Herring Prospectus.						
ISSUER'S ABSOLUTE RESPONSIBILITY						
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.						
LISTING						
The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an In-Principle Approval letter dated [●] from BSE Limited ("BSE") for using its name in this offer document for listing our shares on the SME Platform of BSE Limited ("BSE SME"). For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").						
BOOK RUNNING LEAD MANAGER TO THE ISSUE						
 swastika INVESTMENT MANAGEMENT SWASTIKA INVESTMART LIMITED			Contact Person: Mohit R. Goyal Tel. No.: +91 0731 664 4244 Email: mb@swastika.co.in			
REGISTRAR TO THE OFFER						
 MUFG MUFG INTIME INDIA PRIVATE LIMITED <i>(Formerly known as Link Intime India Private Limited)</i>			Contact Person: Mr. Shanti Gopalkrishnan Tel. No.: +91 810 811 4949 Email: vivekanand.smeipo@in.mpmfsmufg.com			
BID/ISSUE PROGRAMME						
ANCHOR INVESTOR PORTION ISSUE OPENS/CLOSES ON(1):			[●]			
BID/ISSUE OPENS ON(1):			[●]			
BID/ISSUE CLOSES ON(2),(3)&(4):			[●]			

- (1) Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date;
- (2) Our Company, in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations;
- (3) The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day;
- (4) Our Company is not considering any pre-IPO placement of equity shares of the Company.

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE DRAFT RED HERRING PROSPECTUS

The following is a general summary of certain disclosures in the Draft Red Herring Prospectus and the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Draft Red Herring Prospectus 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 the Draft Red Herring Prospectus, which is available at the website of the SME Platform of the BSE at www.bsesme.com, the Company at www.vcottonexport.com and the BRLM at www.swastika.co.in.

References below to page numbers are to the page numbers of the Draft Red Herring Prospectus dated June 05, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Draft Red Herring Prospectus.

1.	Summary of the Primary Business																																																																																																									
	Company Overview: Our company is engaged in the business of cotton processing and yarn manufacturing sector by way of Ginning of cotton and spinning of cotton yarn along with its trading. The products manufactured at our Company include Cotton bales, cotton seeds and Cotton yarn. The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics. Product/ Service Offering: Our product portfolio comprises a range of cotton-based products manufactured at our in-house production facilities, including cotton bales, cotton yarn, cotton yarn waste, and cotton seed, catering to the diverse requirements of the textile and allied industries. Description of industries served and typical customer/ clients of the Company: The Company serves a diverse customer base across the textile industry, including fabric manufacturers, textile producers, distributors, corporate buyers, and export markets. The demand for the Company’s products varies based on industry requirements, geographical markets, and product specifications. By maintaining close coordination with customers, suppliers, and logistics partners, the Company ensures efficient production, timely delivery, and cost-effective distribution while catering to evolving market needs. Segment reporting details and their revenue contribution for the reporting periods in a tabular form: The table below sets forth our business Product-wise revenue break-up for the financial years March 31, 2026, 2025 and 2024 based on the Restated Financial Statements: (₹ in lakhs, except stated in %) <table><tr><th rowspan="2">Particulars</th><th colspan="8">For the year ended on</th></tr><tr><th>March 31, 2026</th><th>% of Revenue from operations</th><th>March 31, 2025</th><th>% of Revenue from operations</th><th>04th Aug, 2024</th><th>% of Revenue from operations</th><th>March 31, 2024</th><th>% of Revenue from operations</th></tr><tr><td>Cotton Yarn</td><td>21,080.23</td><td>52.18</td><td>9,353.64</td><td>32.37</td><td>3,243.40</td><td>43.43</td><td>9,742.95</td><td>27.53</td></tr><tr><td>Cotton Bales</td><td>15,650.16</td><td>38.74</td><td>16,095.92</td><td>55.70</td><td>2,769.81</td><td>37.09</td><td>21,041.68</td><td>59.56</td></tr><tr><td>Cotton Yarn Waste</td><td>930.3</td><td>2.30</td><td>592.45</td><td>2.05</td><td>346.06</td><td>4.63</td><td>1,117.61</td><td>3.16</td></tr><tr><td>Cotton Seed</td><td>2,709.63</td><td>6.71</td><td>2,852.21</td><td>9.87</td><td>1,100.69</td><td>14.74</td><td>3,375.51</td><td>9.54</td></tr><tr><td>Others*</td><td>27.38</td><td>0.07</td><td>5.79</td><td>0.02</td><td>7.5</td><td>0.10</td><td>110.16</td><td>0.31</td></tr><tr><td>Total</td><td>40,397.70</td><td>100.00</td><td>28,900.01</td><td>100.00</td><td>7,467.46</td><td>100.00</td><td>35,387.91</td><td>100.00</td></tr></table> <i>*Other includes sale of scrap waste and Job Work Income etc.</i> <i>As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026.</i> Geographies Served: Our Company has a domestic and international presence with well-distributed market coverage across key geographies including Gujarat, Haryana, Madhya Pradesh, and Maharashtra etc in India, as well as Bangladesh, Portugal and China in international markets. Customers Served: Revenue concentration in terms of top 1, 5 and 10 clients: <table><tr><th rowspan="2">Particulars</th><th colspan="2">For the year ended 31 March, 2026</th><th colspan="2">For the year ended 31 March, 2025</th><th colspan="2">For the year ended 31 March, 2024</th></tr><tr><th>Amount</th><th>%</th><th>Amount</th><th>%</th><th>Amount</th><th>%</th></tr><tr><td>Revenue from top 1 customer as % to revenue from operations</td><td>4,857.82</td><td>12.02</td><td>10,660.60</td><td>29.31</td><td>13,743.42</td><td>38.84</td></tr><tr><td>Revenue from top 5 customer as % to revenue from operations</td><td>14,080.91</td><td>34.86</td><td>26,166.93</td><td>71.95</td><td>27,914.40</td><td>78.88</td></tr><tr><td>Revenue from top 10 customer as % to revenue from operations</td><td>20,676.99</td><td>51.18</td><td>30,215.41</td><td>83.08</td><td>31,400.01</td><td>88.73</td></tr></table> Key Manufacturing Facilities: Our registered office and manufacturing facility are located at S/no 181/1, 182/1, At Rangpurda, Kadi, Mahesana-382715, Gujrat, India. The company has established a production capacity of approximately 4,551 MT of Cotton Yarn and 8,000 MT of Cotton Bales annually. Our plant is equipped with plant and machinery. Our Key business strengths include forward integration, cost effective production and timely fulfillment of orders, scalable business model, Quality Focus, Experienced Promoters. Our business strategies include Entering into new geographies, Improving operational efficiencies, Leveraging our skills and relationship with our Suppliers and Customers and Optimal Utilization of Resources. For further details, please refer to the chapter titled “<i>Business Overview</i>” beginning on page 141 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.	Particulars	For the year ended on								March 31, 2026	% of Revenue from operations	March 31, 2025	% of Revenue from operations	04 th Aug, 2024	% of Revenue from operations	March 31, 2024	% of Revenue from operations	Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.53	Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.56	Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.16	Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.54	Others*	27.38	0.07	5.79	0.02	7.5	0.10	110.16	0.31	Total	40,397.70	100.00	28,900.01	100.00	7,467.46	100.00	35,387.91	100.00	Particulars	For the year ended 31 March, 2026		For the year ended 31 March, 2025		For the year ended 31 March, 2024		Amount	%	Amount	%	Amount	%	Revenue from top 1 customer as % to revenue from operations	4,857.82	12.02	10,660.60	29.31	13,743.42	38.84	Revenue from top 5 customer as % to revenue from operations	14,080.91	34.86	26,166.93	71.95	27,914.40	78.88	Revenue from top 10 customer as % to revenue from operations	20,676.99	51.18	30,215.41	83.08	31,400.01	88.73
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	The Indian textile industry encompasses the production of fibres, yarns, fabrics, and finished textile products such as garments and home furnishings, covering the entire value chain from raw material processing to final consumption. The sector contributes nearly 2.3% to India’s Gross Domestic Product (GDP), accounts for approximately 13% of overall industrial production, and contributes around 12% to																																																																																																									

	total export earnings. India’s textile sector has developed strong manufacturing capabilities, enabling it to cater to both growing domestic demand and international markets.																																			
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3.	Promoters of the Issuer																																			
	<table><tr><th>S. No.</th><th>Name of the Promoter</th><th>Individual/Corporate</th><th>Experience & Educational Qualification</th></tr><tr><td>1.</td><td>Mr. Nirav Bharatbhai Patel</td><td>Individual</td><td>Nirav Bharatbhai Patel, aged 40 years, is the Promoter and the Chairman and Managing Director of our company. For a complete profile of Nirav Bharatbhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Our Management</i>” beginning on page 175 of this Draft Red Herring Prospectus.</td></tr><tr><td>2.</td><td>Mr. Jasmin Vishnubhai Patel</td><td>Individual</td><td>Jasmin Vishnubhai Patel, aged 33 years, is the Promoter and the Whole Time Director of our company. For a complete profile of Jasmin Vishnubhai Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Our Management</i>” beginning on page 175 of this Draft Red Herring Prospectus.</td></tr><tr><td>3.</td><td>Mr. Bharatbhai Prahaladbhai Patel</td><td>Individual</td><td>Bharatbhai Prahaladbhai Patel, aged 63 years, is the promoter and Director of our company. 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For a complete profile of Vishnubhai Prahaladdas Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Our Management</i>” beginning on page 175 of this Draft Red Herring Prospectus.</td></tr><tr><td>5.</td><td>Mr. Gautam Bharatkumar Patel</td><td>Individual</td><td>Gautam Bharatkumar Patel, aged 42 years, is the promoter of our company. For a complete profile of Gautam Bharatkumar Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “<i>Promoter and Promoter Group</i>” beginning on page 175 of this Draft Red Herring Prospectus.</td></tr><tr><td>6.</td><td>B P Patel Family Trust*</td><td>-</td><td>-</td></tr><tr><td>7.</td><td>V P Patel Family Trust*</td><td>-</td><td>-</td></tr></table>	S. No.	Name of the Promoter	Individual/Corporate	Experience & Educational Qualification	1.	Mr. Nirav Bharatbhai Patel	Individual	Nirav Bharatbhai Patel, aged 40 years, is the Promoter and the Chairman and Managing Director of our company. 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For a complete profile of Gautam Bharatkumar Patel i.e. date of birth, residential address, educational qualification, experience in the business, positions held in the past and other directorships, special achievements, please refer to section titled “ <i>Promoter and Promoter Group</i> ” beginning on page 175 of this Draft Red Herring Prospectus.	6.	B P Patel Family Trust*	-	-	7.	V P Patel Family Trust*	-	-	*Association of Persons.		
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	<table><tr><th>S. No.</th><th>Objects</th><th>Description</th></tr><tr><td>1.</td><td>Funding capital expenditure requirement towards installation of additional plant and machinery</td><td> The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics. In order to support its existing manufacturing operations and improve production processes, the Company proposes to utilize a portion of the Net Proceeds towards capital expenditure for upgradation of plant and machinery at its existing manufacturing facilities. The proposed upgradation is intended to improve operational efficiencies, enhance process integration, reduce manual intervention in certain stages of production and support the manufacture of value-added yarn products in accordance with customer and industry requirements. The proposed investment primarily comprises procurement and installation of technologically upgraded spinning machinery and related systems within the existing Spinning setup. The proposed machinery is expected to assist the Company in improving process reliability, maintaining product quality standards and optimising production efficiency across various stages of the spinning process. The proposed machinery includes the following: </td></tr></table>	S. No.	Objects	Description	1.	Funding capital expenditure requirement towards installation of additional plant and machinery	The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics. In order to support its existing manufacturing operations and improve production processes, the Company proposes to utilize a portion of the Net Proceeds towards capital expenditure for upgradation of plant and machinery at its existing manufacturing facilities. The proposed upgradation is intended to improve operational efficiencies, enhance process integration, reduce manual intervention in certain stages of production and support the manufacture of value-added yarn products in accordance with customer and industry requirements. The proposed investment primarily comprises procurement and installation of technologically upgraded spinning machinery and related systems within the existing Spinning setup. The proposed machinery is expected to assist the Company in improving process reliability, maintaining product quality standards and optimising production efficiency across various stages of the spinning process. The proposed machinery includes the following:																													
S. No.	Objects	Description																																		
1.	Funding capital expenditure requirement towards installation of additional plant and machinery	The company operates in two primary areas: cotton ginning and spinning. In the ginning process, it separates cotton fibers from seeds, which is the first step in preparing raw cotton for textile production. Following this, the company focuses on spinning, where the clean cotton fibers are turned into yarn. This yarn, produced in various counts and quality grades, is used by textile mills for weaving and knitting fabrics. In order to support its existing manufacturing operations and improve production processes, the Company proposes to utilize a portion of the Net Proceeds towards capital expenditure for upgradation of plant and machinery at its existing manufacturing facilities. The proposed upgradation is intended to improve operational efficiencies, enhance process integration, reduce manual intervention in certain stages of production and support the manufacture of value-added yarn products in accordance with customer and industry requirements. The proposed investment primarily comprises procurement and installation of technologically upgraded spinning machinery and related systems within the existing Spinning setup. The proposed machinery is expected to assist the Company in improving process reliability, maintaining product quality standards and optimising production efficiency across various stages of the spinning process. The proposed machinery includes the following:																																		

		1. Comber Machine: The Company proposes to install a Comber machine for the manufacture of combed yarn. The combing process is undertaken after carding and before spinning, wherein short fibres, neps and impurities are removed from cotton fibres. The process results in improved fibre alignment and enables the production of finer and relatively uniform yarn. Combed yarn is generally used in the manufacture of higher-count and value-added textile products. 2. Compact Spinning System: The Company also proposes to install a Compact Spinning System in its existing spinning setup. The compact spinning attachment facilitates improved fibre control and alignment during the spinning process by condensing fibres prior to twisting. This process may assist in reducing yarn hairiness, improving yarn strength and enhancing yarn uniformity. The installation of the compact spinning system is intended to support the production of compact yarn used in value-added textile applications. 3. Link Corner System/ Autoconer Winding System: The Company proposes to install a Link Corner System comprising 44 drums in the spinning section. The system is intended to facilitate automatic joining of yarn during the bobbin winding process and reduce manual handling during operations. The proposed installation may assist in reducing yarn breakage, minimizing wastage and improving operational continuity during the winding process. The Company proposes to utilize an amount aggregating up to ₹ 526.89 Lakhs from the Net Proceeds towards funding the capital expenditure for procurement, installation and commissioning of the aforesaid plant and machinery at its existing manufacturing facilities.					
2.	Funding Working Capital Requirement of our Company	Our business is working capital intensive. In the ordinary course of our business, we meet a substantial portion of our working capital requirements through internal accruals and borrowings from banks and financial institutions, including working capital facilities and short-term loans. As on the date of this Draft Red Herring Prospectus, the Company has sanctioned fund-based working capital limits aggregating to ₹ 4,800.00 Lakhs from banks and financial institutions. As of April 30, 2026, the amount outstanding under the fund-based working capital facilities was ₹ 4,135.08 Lakhs. We propose to utilize ₹ 1,100.00 Lakhs from the Net Proceeds towards funding the working capital requirements of the Company to support the growth of our business during the financial years ending, March 31, 2027 and March 31, 2028.					
3.	General corporate purposes	Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such utilization not exceeding 15% of the Gross Proceeds of the Issue or ₹ 1,000 Lakhs whichever is lower, in compliance with Regulation 230(2) of the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following: a) strategic initiatives; b) strengthening of marketing activities; c) ongoing general corporate exigencies; d) meeting fund requirements in the ordinary course of its business; e) meeting expenses incurred in the ordinary course of business; f) any other purposes as approved by the Board of Directors subject to compliance with the necessary regulatory provisions. The allocation or quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses, such surplus amount shall be utilized towards other Objects or for General Corporate Purpose in such a manner that the amount for general corporate purposes, shall not exceed 15% or Rs. 1,000 lakhs, whichever is lower, of the amount raised by our Company through this Issue.					
For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 87 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.							
5. Pre and post issue shareholding of Promoter(s), members of the Promoter Group and top 10 shareholders							
S. No.	Pre-Issue shareholding as at the date of Advertisement			Post-Issue shareholding as at Allotment			
	Shareholders	Number of Equity Shares	Percentage (%) holding*	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
Promoters							
1.	Nirav Bharatbhai	32,50,000	20.00	[●]	[●]	[●]	[●]

	Patel						
2.	Jasmin Vishnubhai Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
3.	Gautam Bharatkumar Patel	32,50,000	20.00	[●]	[●]	[●]	[●]
4.	Bharatbhai Prahaladbhai Patel	32,49,784	20.00	[●]	[●]	[●]	[●]
5.	Vishnubhai Prahaladdas Patel	32,49,784	20.00	[●]	[●]	[●]	[●]
6.	B P Patel Family Trust	108	Negligible	[●]	[●]	[●]	[●]
7.	V P Patel Family Trust	108	Negligible	[●]	[●]	[●]	[●]
Total (A)		1,62,49,784	100.00	[●]	[●]	[●]	[●]
Promoter Group							
1.	Ranjanben Bharatbhai Patel	108	Negligible	[●]	[●]	[●]	[●]
2.	Preet Vishnubhai Patel	108	Negligible	[●]	[●]	[●]	[●]
Total (B)		216	Negligible	[●]	[●]	[●]	[●]
Additional top 10 shareholders							
Total (C)		-	-	[●]	[●]	[●]	[●]
Total (A+B+C)		1,62,50,000	100.00	[●]	[●]	[●]	[●]

Notes:

* Rounded off;

**There are no additional public shareholders other than promoters;

(1) There are two (2) Promoter Group Shareholders, i.e., Ranjanben Bharatbhai Patel and Preet Vishnubhai Patel;

(2) Includes all options that have been exercised until date of Draft Red Herring Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of Draft Red Herring Prospectus;

(3) Based on the Issue price of ₹[●]/- and subject to finalization of the basis of allotment.

For detailed information on the “Capital Structure”, please refer on page no. 75 of this Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 5, 2026.

6. Summary of Restated Financial Information

The table below sets forth a summary of the Restated Financial Statements for the financial years ended March 31, 2026, 2025, and 2024: (₹ in Lakhs)

Particulars	For Fiscal Year			
	March 31, 2026	March 31, 2025	Aug 04, 2024	March 31, 2024
Share Capital	1,625.00	1,500.00	1,500.00	1,500.00
Net Worth	2,893.57	1,726.46	2,345.16	2,062.49
Revenue from operations	40,801.01	29,046.69	7,546.69	35,738.81
Profit Before Tax from continuing operations	512.87	322.90	134.84	524.24
Profit after Tax	368.78	407.38	86.90	335.33
Basic Earnings Per Share	2.45	2.72	0.58	2.24
Diluted Earnings Per Share	2.45	2.72	0.58	2.24
Net Asset Value per Equity Shares	17.81	11.51	15.63	13.75
Total Borrowings (as per Restated)	4,499.52	5,475.91	3,256.11	4,001.57

Notes:

1) The Basic and Diluted earnings per share and Net Asset value per share is calculated taking only profit after tax from continuing operations which are attributable to the owners of the Company.

For further details, please refer to the section titled “Restated Financial Statements” beginning on page 200 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.

7. Summary of Key Performance Indicators

The table set forth below are certain key financial metrics and operational metrics for the periods indicated:

Particulars	As of and for the Fiscal		
	2026	2025	2024
Revenue From operations (₹ in Lakhs)	40,801.01	36,593.38	35,738.81
Total Revenue (₹ in Lakhs)	40,932.15	36,651.25	35,801.62
EBITDA (₹ in Lakhs)	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70%	3.99%	4.08%
Profit after tax (₹ in Lakhs)	368.78	494.29	335.33
PAT Margin (%)	0.90%	1.35%	0.94%
Return on Equity (ROE) (%)	15.96%	26.09%	11.72%
Return on Capital Employed (ROCE) (%)	13.14%	12.16%	13.41%
Debt To Equity Ratio	1.56	3.17	1.94

	Current Ratio	1.09	1.12	0.79
	Net Capital Turnover Ratio	12.62	17.08	19.06
	As certified by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditor of our Company by their certificate dated June 04, 2026.			
	For further details, please refer to the chapter titled “Basis for Issue Price” beginning on page 98 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 5, 2026.			
8.	Risk Factors			
	The following are the top 10 internal risk factors as disclosed in the Draft Red Herring Prospectus: 1. Any fluctuations in cotton prices and availability may pose a significant risk to the Company’s cost of production and profitability. Our business is heavily dependent on the availability and pricing of raw cotton, which is subject to seasonal variations, global demand-supply dynamics, and government policies on agricultural production. The price of cotton is influenced by multiple factors, including weather conditions, international trade policies, fluctuations in foreign exchange rates, and subsidies or tariffs imposed by cotton-producing countries. Any sharp increase in raw cotton prices could significantly raise our production costs, while price volatility may impact our ability to maintain stable margins. There is no assurance that we will always be able to procure raw cotton at favorable prices or in required quantities. In periods of limited availability, we may have to source cotton at higher costs, which could reduce our competitiveness and profitability. Additionally, a decline in global or domestic cotton demand may lead to inventory accumulation, further impacting cash flow and operational efficiency. While we have established long-term relationships with suppliers and maintain an efficient procurement strategy, these efforts do not fully mitigate the risks associated with price fluctuations and supply constraints. Despite our cost management initiatives, adverse movements in cotton prices may still impact our financial performance. Any sustained increase in raw material costs without a corresponding increase in product prices could negatively affect our profit margins and overall business growth. 2. Dependence on seasonal cotton production may disrupt raw material procurement, impacting manufacturing continuity, production schedules, and profitability. Cotton production is seasonal, with peak availability occurring during harvest periods i.e., November to March. This seasonality can result in fluctuations in raw material availability and pricing, impacting our ability to maintain consistent production levels. Factors such as unexpected weather patterns, pest infestations, and variations in crop yield can disrupt the supply chain, forcing us to adjust procurement strategies or purchase raw cotton at higher prices. If cotton availability declines during off-seasons, we may experience supply shortages that could delay production schedules and order fulfillment and impact our working capital cycle. Additionally, reliance on seasonal procurement increases our inventory holding costs, as we may need to stockpile raw cotton to sustain production during lean periods. In such cases, market price fluctuations may impact the valuation of our inventory, potentially affecting profitability. Although, we maintain strategic relationships with multiple suppliers and engage in advance procurement planning. We also explore alternatives such as diversifying sourcing regions to reduce dependence on any single geographic location. However, there is no assurance that these measures will entirely offset supply constraints or price volatility, and prolonged disruptions could impact our operational and financial performance. 3. There is intense competition in the cotton processing and yarn manufacturing industry, which may affect market position and profitability. The cotton processing and yarn manufacturing industry is highly competitive, with numerous domestic and international players competing for market share. Competitors include large-scale vertically integrated textile companies, regional manufacturers, and international firms with established supply chains and financial strength. Our ability to maintain or expand our market position depends on factors such as pricing strategies, product quality, operational efficiency, and customer relationships. If competitors offer lower-priced or higher-quality products, we may face pricing pressure that could impact our revenue and profit margins. Additionally, changes in customer preferences, technological advancements, and the entry of new players could intensify market competition. Inability to adapt to industry trends or differentiate our offerings could result in the loss of key customers and a decline in market share. We strive to enhance our competitive edge through continuous improvements in manufacturing processes, product innovation, and customer engagement. However, despite these efforts, there is no assurance that we will sustain our competitive position or withstand aggressive market competition, which could adversely affect our financial performance. 4. There is volatility in foreign exchange rates, which may affect export revenues and impact overall profitability. A portion of our revenue is derived from exports, making us susceptible to fluctuations in foreign exchange rates. The appreciation or depreciation of the Indian Rupee against foreign currencies can impact our export earnings and cost structure. If the Rupee appreciates, our products may become less competitive in global markets, potentially leading to lower demand and revenue losses. Conversely, depreciation of the Rupee could increase the cost of imported raw materials or machinery, affecting production costs. The details of revenue derived from exports is as follows:			
				(₹ in Lakhs)
	Particulars	For the period ended March 31, 2026	For the period ended March 31, 2025	For the period ended August 04, 2025
				For the period ended March 31, 2024

	Amount	%	Amount	%	Amount	%	Amount	%
Bangladesh	465.25	1.15	612.48	2.12	0.00	0.00	3130.49	8.85
China	2,572.58	6.37	0.00	0.00	0.00	0.00	0.00	0.00
Indonesia	98.77	0.24	0.00	0.00	0.00	0.00	0.00	0.00
Portugal	93.92	0.23	0.00	0.00	0.00	0.00	60.65	0.17
South Africa	407.59	1.01	0.00	0.00	0.00	0.00	0.00	0.00
Vietnam	498.88	1.23	155.82	0.54	132.45	1.77	0.00	0.00
Total	4,137.00	10.24	768.30	2.66	132.45	1.77	3191.14	9.02

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

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

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

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

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty.

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

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

Please find the Product wise distribution of our Products:

(₹ in Lakhs)

Particulars	For the period ended March 31, 2026		For the period ended March 31, 2025		For the period ended August 04, 2025		For the period ended March 31, 2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Cotton Yarn	21,080.23	52.18	9,353.64	32.37	3,243.40	43.43	9,742.95	27.60
Cotton Bales	15,650.16	38.74	16,095.92	55.70	2,769.81	37.09	21,041.68	59.62
Cotton Yarn Waste	930.3	2.30	592.45	2.05	346.06	4.63	1,117.61	3.17
Cotton Seed	2,709.63	6.71	2,852.21	9.87	1,100.69	14.74	3,375.51	9.56
Others*	27.38	0.07	5.79	0.02	7.5	0.10	17.16	0.05
Total	40,397.70	100.00	28,900.01	100.00	7,467.46	100.00	35,294.91	100.00

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

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

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

LITIGATIONS AGAINST OUR COMPANY

Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	2	55.61
Other Litigation	--	--

LITIGATIONS AGAINST OUR DIRECTORS AND / OR PROMOTERS

Nature of Cases	No. of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	3	Unascertained
Other Litigation	--	--

LITIGATIONS BY OUR GROUP COMPANIES

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

LITIGATIONS AGAINST OUR GROUP COMPANIES

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	12	774.47
Other Litigation	1	8.35

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

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

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

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

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

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

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

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

Basis of estimation of working capital requirements

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

(₹ in Lakhs)

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

As certified by M/s. Mistry & Shah, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated June 01, 2026.

Future Estimates of working capital requirements

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

(₹ in Lakhs)

Particulars	March 31, 2027	March 31, 2028
Inventories	4,027.86	4,636.91
Trade Receivables	1,909.30	2,335.17
Short-Term Loans and Advances	441.87	544.38
Other Current Assets	479.18	503.14
Total Current Assets	6,858.21	8,019.59
Trade Payables	352.38	422.89
Other Current Liabilities	263.24	286.70
Short-Term Provisions	273.89	335.14
Total Current Liabilities	889.51	1,044.72
Net Working Capital	5,968.70	6,974.87
Sources of Funds		
Borrowing	4,166.92	4,356.92
Internal Accruals	1,301.78	2,017.95
Proceeds from IPO	500.00	600.00
Total	5,968.70	6,974.87

As certified by M/s. Mistry & Shah, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated June 01, 2026.

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

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

Basis of estimation of working capital requirements

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

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2025	March 31, 2026
Inventories	2,494.56	1,789.47	2,440.57
Trade Receivables	230.83	1,522.16	1,176.73

Short-Term Loans and Advances	24.79	388.99	136.84
Other Current Assets	395.57	268.88	361.12
Total Current Assets	3,145.75	3,969.50	4,115.26
Trade Payables	1,466.85	615.62	187.19
Other Current Liabilities	224.30	294.66	236.16
Short-Term Provisions	92.80	136.14	149.77
Total Current Liabilities	1,783.94	1,046.42	573.13
Net Working Capital	1,361.81	2,923.09	3,542.13
Sources of Funds			
Borrowing	1,361.81	2,526.97	3,240.83
Internal Accruals	-	396.12	301.30
Total	1,361.81	2,923.09	3,542.13

As certified by M/s. Mistry & Shah, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated June 01, 2026.

Future Estimates of working capital requirements

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

(₹ in Lakhs)

Particulars	March 31, 2027	March 31, 2028
Inventories	4,027.86	4,636.91
Trade Receivables	1,909.30	2,335.17
Short-Term Loans and Advances	441.87	544.38
Other Current Assets	479.18	503.14
Total Current Assets	6,858.21	8,019.59
Trade Payables	352.38	422.89
Other Current Liabilities	263.24	286.70
Short-Term Provisions	273.89	335.14
Total Current Liabilities	889.51	1,044.72
Net Working Capital	5,968.70	6,974.87
Sources of Funds		
Borrowing	4,166.92	4,356.92
Internal Accruals	1,301.78	2,017.95
Proceeds from IPO	500.00	600.00
Total	5,968.70	6,974.87

As certified by M/s. Mistry & Shah, Chartered Accountants, the Statutory Auditor of our Company by their certificate dated June 01, 2026

9. The details of weighted average cost of acquisition of shares for Promoter

S. No.	Name of Promoters	No. of equity shares held	Average cost of acquisition (in ₹ per equity share)
1.	Nirav Bharatbhai Patel	32,50,000	14.15
2.	Jasmin Vishnubhai Patel	32,50,000	14.15
3.	Bharatbhai Prahaladbhai Patel	32,49,784	14.15
4.	Vishnubhai Prahaladdas Patel	32,49,784	14.15
5.	Gautam Bharatkumar Patel	32,50,000	14.15
6.	B P Patel Family Trust	108	4.74
7.	V P Patel Family Trust	108	4.74

As certified by SVJK & Associates, Chartered Accountants, by way of their certificate dated June 04, 2026

For further details, please refer to the chapter titled “Capital Structure” beginning on page 75 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.

10. Board of Directors and Key Managerial Personnel

S. No.	Name of Board Director and Key Managerial Personnel	Designation
1.	Nirav Bharatbhai Patel	Chairman and Managing Director
2.	Jasmin Visnubhai Patel	Whole Time Director
3.	Bharatbhai Prahaladbhai Patel	Non-Executive Director
4.	Vishnubhai Prahladdas Patel	Non-Executive Director
5.	Rohit Khandelwal	Independent Director
6.	Bhavika Sanghani	Independent Director
7.	Komal Vijaybhai Chauhan	Company Secretary and Compliance Officer

	8.	Irfan Abdulbhai Mansuri	Chief Financial Officer (CFO)				
	For further details, please refer to the chapter titled “ <i>Our Management</i> ” beginning on page 175 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.						
11.	Auditor Qualifications						
	The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditor. For further details, please refer to the chapter titled “ <i>Restated Financial Statements</i> ” beginning on page 200 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.						
12.	Summary table of Outstanding Litigations						
	A summary of outstanding tax proceedings involving our Company, Directors, Group Companies, Subsidiary and Promoters as on the date of this Draft Red Herring Prospectus is provided below:						
	(₹ in lakhs)						
	Outstanding Litigations	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchange	Material Civil Litigation	Amount involved
	Company						
	By the Company	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Company	NIL	2	NIL	NIL	NIL	55.61
	Promoters*						
	By the Promoters	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Promoters	NIL	NIL	NIL	NIL	NIL	NIL
	Directors other than promoters						
	By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Directors	NIL	3	NIL	NIL	NIL	Unascertained
	Senior Management Personnel and Key Managerial Personnel						
	By the SMPs and KMPs	NIL	NIL	NIL	NIL	NIL	NIL
	Against the SMPs and KMPs	NIL	NIL	NIL	NIL	NIL	NIL
	Group Companies and / or Partnership firms of Our Promoters						
	By Our Group Companies and / or Partnership firms of Our Promoters	6	NIL	NIL	NIL	NIL	138.22
	Against Our Group Companies and / or Partnership firms of Our Promoters	NIL	12	NIL	NIL	1	782.81
	For further details, please refer to the chapter titled “ <i>Outstanding Litigation and Material Developments</i> ” beginning on page 215 of the Draft Red Herring Prospectus filed by our Company in the SME Platform of the BSE on June 05, 2026.						

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 outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where such offers and sales occur. There will be no public offering of the Equity Shares in the United States.