RUDRA COTTEX LIMITED
CORPORATE IDENTITY NUMBER: U13111GJ2016PLC086570

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
403, Satyamev Eminence, B/S. Saptak Bungalows, Science City Road, Sola, Ahmedabad, Gujarat, 380 060, India	Survey No. 808 & 836 to 843, Village - Kadjodra Devkaran Na Muwada Road, Bayad Road, Dehgam, Gandhinagar, Gujarat – 382315, India.	Jotaniya Sahul Natvarbhai, Company Secretary and Compliance Officer	**E-mail:** cs@rudracottex.com **Tel:** +91 99099 59541	https://rudracottex.com

OUR PROMOTERS: RAHULKUMAR ABJI DHOLU, RADHESHYAM PARSHOTTAMBHAI POKAR AND PATEL NILESH KUMAR BABUBHAI

DETAILS OF THE ISSUE TO THE PUBLIC

TYPE	SIZE OF FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs AND RIBs
Fresh Issue	Up to 12,500,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million#	Not Applicable	Up to 12,500,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	The Issue is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see "*Other Regulatory and Statutory Disclosures—Eligibility for the Issue"* on page 405 of the Draft Red Herring Prospectus. For details in relation to share reservation among Qualified Institutional Buyers ("**QIBs**"), Non- Institutional Bidders ("**NIBs**") and Retail Individual Bidders ("**RIBs**") see "*Issue Structure"* on page 421 of the Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public offering of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager ("**BRLM**"), on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance of SEBI ICDR Regulations, as stated under "*Basis for Issue Price*" on page 153 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares of face value of ₹ 10 each 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 24.

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 of face value of ₹ 10 each to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges, being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", together with BSE, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Issue, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

NAME OF THE BOOK RUNNING LEAD MANAGER AND LOGO		CONTACT PERSON	E-MAIL AND TELEPHONE
BEELINE	Beeline Capital Advisors Private Limited	Nikhil Shah	**E-mail**: mb@beelinemb.com **Tel**: +91 79 4918 5784

REGISTRAR TO THE ISSUE

NAME AND LOGO OF THE REGISTRAR		CONTACT PERSON	E-MAIL AND TELEPHONE
KFINTECH EXPERIENCE TRANSFORMATION	KFIN Technologies Limited	M Murali Krishna	**E-mail**: rudra.ipo@kfintech.com **Tel**: +91 40 6716 2222

BID / ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE(1)	[●]	**BID / ISSUE OPENS ON**	[●]	**BID / ISSUE CLOSES ON(2)(3)#**	[●]

1. Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR

Regulations. The Anchor Investor Bid/Issue Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

2. *Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
3. *UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Issue Closing Date.*

*#Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement (as defined hereinafter) prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (regulation) Rules, 1957, as amended ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilization of the proceeds raised pursuant to the allotment of the Equity Shares issued pursuant to the Pre- IPO Placement will be done towards the Objects in compliance with requirements prescribed under the Companies Act and other applicable law. Prior to the completion of the Issue, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus and intimated to the Stock Exchanges, in accordance with the SEBI ICDR Regulations.*

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

Please scan this QR code to view the Draft Red Herring Prospectus and this Draft Abridged 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, more detailed information appearing elsewhere in the Draft Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively, the Company at https://rudracottex.com/investor-relations/ and the BRLM at https://beelinemb.com/ipo/

References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated September 17, 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

a. Business Overview - Products and Services

We are engaged in the manufacturing of cotton yarn and the trading of cotton bales and cotton yarn. Our cotton yarn product portfolio comprises of (i) EliTwist technology based compact yarn, (ii) conventional compact yarn, (iii) carded yarn and (iv) combed yarn. Our EliTwist technology based compact yarn and conventional compact yarn are offered in both carded and combed form, and we accordingly manufacture a variety of yarn variants in aggregate. We regard our EliTwist technology based compact yarn as a value-added product by reason of its technical characteristics, being superior yarn strength as compared to conventional compact yarn, lower hairiness, enhanced abrasion resistance, improved fabric appearance and surface smoothness, reduced pilling technology and better dimensional stability.

b. Industries Served and Typical Customers

We operate in textile industry, wherein we are engaged in the business of manufacturing of cotton yarn and the trading of cotton bales and cotton yarn. We only cater in the business-to-business (B2B) segment, and our customers includes traders, agents, manufacturers and merchant exporters.

c. Segment Reporting and Revenue Contribution

The Company's financial statements do not include segment reporting as the Company operates in a single business segment and does not meet the criteria for segment reporting under Accounting Standard 17 (Segment Reporting). Accordingly, no segment-wise financial information has been presented in the financial statements.

The product-wise bifurcation of our revenue from operations for the last three Fiscals is set out below:

Company's operation	Fiscal 2026	% of Total Revenue	Fiscal 2025	% of Total Revenue	Fiscal 2024	% of Total Revenue
Revenue generated from Manufacturing:						
Carded yarn	623.53	18.06%	251.69	9.11%	304.70	13.70%
Compact yarn	376.24	10.89%	677.47	24.53%	472.34	21.24%
Elli-Twist technology based Compact Yarn	1,062.73	30.77%	1,017.75	36.85%	347.73	15.64%
Total of Manufacturing Revenue [A]	**2,062.50**	**59.72%**	**1,946.91**	**70.49%**	**1,124.77**	**50.58%**
Cotton waste, comber noil and other by-products [B]*	52.51	1.52%	101.50	3.68%	106.63	4.80%
Revenue generated from Trading:						
Trading of cotton bales	1,003.04	29.05%	437.32	15.83%	937.38	42.16%
Trading of cotton yarn	283.85	8.22%	226.28	8.19%	-	0.00%
Total of Trading Revenue [C]	**1,286.89**	**37.27%**	**663.60**	**24.03%**	**937.38**	**42.16%**
Other Operating Revenue** [D]	51.43	1.49%	49.82	1.80%	54.76	2.46%
Total [A+B+C+D]	**3,453.33**	**100.00%**	**2,761.83**	**100.00%**	**2,223.54**	**100.00%**

As certified by M/s Mistry & Shah LLP, Chartered Accountants (Firm Registration Number: 122702W/ W100683) pursuant to certificate dated September 17, 2026.
**Our operations also generate income from by-products such as cotton waste, lickerin waste, cotton seeds waste, flat waste, noil, micro dust, sweeping waste, hard waste, waste cotton cloth and cotton roving waste which is sold to process houses and industries manufacturing [open-end yarns/other uses], providing an additional revenue stream for our Company.*
***Other operating revenue includes GST Subsidy Income, Insurance claim, Loading and Unloading Income and sale of services.*

d. *Key Geographies Served*

Our products are sold in both domestic and international markets (through merchant exporters). In domestic market we primarily serve customers located in Gujarat. The state-wise breakup of our revenue from sale of products for the last three Fiscals is set out below:

State	Fiscal 2026 (₹ million)	% of revenue from operations	Fiscal 2025 (₹ million)	% of revenue from operations	Fiscal 2024 (₹ million)	% of revenue from operations
Gujarat	3,073.31	89.00%	2,173.38	78.69%	1,981.17	88.78%
Haryana	7.31	0.21%	0.68	0.02%	1.59	0.07%
Rajasthan	-	-	-	-	4.51	0.20%
Other States	-	-	5.36	0.19%	33.38	1.50%
Exports (through merchant exporter)	321.28	9.30%	532.59	19.28%	156.21	7.05%
Other Operating Revenue*	51.43	1.49%	49.82	1.80%	54.76	2.45%
Total	**3,453.33**	**100.00%**	**2,761.83**	**100.00%**	**2,231.62**	**100.00%**

**Other operating revenue includes GST Subsidy Income, Insurance claim, Loading and Unloading Income and sale of services.*

e. *Revenue Concentration Among Top 10 Customers*

The table below sets forth details of revenues generated from our top 10 customers for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, are as below:

Particulars	Fiscal 2026	% of revenue from operations	Fiscal 2025	% of revenue from operations	Fiscal 2024	% of revenue from operations
Top largest customer (1)	1,459.30	42.26%	759.42	27.50%	609.30	27.40%
Top 5 customers (1)	2,989.08	86.56%	2,083.00	75.43%	1,482.16	66.65%
Top 10 customers (1)	3,320.96	96.17%	2,473.55	89.58%	1,636.89	73.60%

As certified by M/s Mistry & Shah LLP, Chartered Accountants (Firm Registration Number: 122702W/ W100683) pursuant to certificate dated September 17, 2026.
(1) *The largest customer, top five customers and top ten customers refer to the customers contributing the largest, five highest and ten highest revenues, respectively, during the relevant Fiscal and may not necessarily be the same across all three Fiscals.*
(2) *For the Fiscal year ended March 31, 2025 and March 31, 2024 our top 10 customers included Surya Future Tradewing LLP, which is a member of our Promoter Group, and our sales to such entity represented approximately 13.52%, and 7.80%, of our total revenue from operations in those Fiscals, respectively. For the Fiscal year ended March 31, 2025 our top 10 customers also included Shree Ram Twistex Limited.*
(3) *Names of other customers not included due to commercial sensitivities and lack of receipt of consent.*

f. *Key Facilities*

We operate from semi-automated integrated Manufacturing Facility located at Survey No. 808 & 836 to 843, Village – Kadjodara, Taluka – Dehgam, District – Gandhinagar, Gujarat – 382315 India. Our registered office is also situated at 403, Satyamev Eminence, B/S. Saptak Bunglows, Science City Road, Sola, Ahmedabad - 380060.

g. *Business Strengths and Strategies*

Strengths

1. Integrated semi-automated yarn manufacturing plant set up supporting a focused product portfolio.
2. Consistent improvement in capacity utilization driven by operational efficiency.
3. Strategically located Manufacturing Facility with adequate storage and scope for future expansion.
4. Experienced Promoters and management team.
5. Track record of consistent financial growth.

Strategies

1. Expanding our existing manufacturing capacity.
2. Expanding our manufacturing to two-for-one twisting (“**TFO**”) technology yarns.
3. Expand our customer base by direct tie-ups and geographical footprint.
4. Debt reduction and optimisation of working capital requirements.

For details, see "*Our Business"* on page 242 of the Draft Red Herring Prospectus

2. Summary of the Industry (Source: D&B Report)

The Indian textile industry, one of the oldest and most significant sectors of the economy, plays a crucial role in employment generation and export earnings. 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. It is one of the most significant sectors of the country's economy, playing a vital role in industrial development, employment generation, and export performance. As per government figures outlined in Union Budget 2026-27, the sector contributes nearly 2% to India's Gross Domestic Product ("**GDP**"), 11% to manufacturing GVA, and 8.63% to exports. The Indian cotton yarn industry is gradually transitioning from conventional commodity yarns towards value-added and performance-oriented yarn categories, driven by evolving requirements of textile manufacturers, garment exporters, home textile producers and premium garment brands. Increasing demand for superior fabric quality, improved processing efficiency, enhanced durability and differentiated textile products has supported the adoption of compact yarns, doubled yarns, specialty yarns and other advanced spinning products across domestic and export markets.

For details, see "*Industry Overview"* on page 170 of the Draft Red Herring Prospectus

3. Our Promoters

Set out below are the details pertaining to the Promoters of our Company:

Sr. No.	Name	Experience & Educational Qualifications
1.	Rahulkumar Abji Dholu	Rahulkumar Abji Dholu is the Chairman & Managing Director of our Company. He has not received any formal education. He is responsible for business operations, management, commercial activities, financial matters, statutory compliances and strategic decision making. He has over 10 years of professional experience in the textile industry.
2.	Radheshyam Parshottambhai Pokar	Radheshyam Parshottambhai Pokar is the Executive Director of our Company. He holds a bachelor's degree in the field of commerce from Gujarat University. He is responsible for overseeing Company's function relating to Human Resources, Purchase and Procurement and administration. He has over 10 years of professional experience in the textile industry.
3.	Patel Nilesh Kumar Babubhai	Patel Nilesh Kumar Babubhai is the Executive Director of our Company. He holds a diploma in civil engineering from Government Polytechnic, Himatnagar. He is responsible for operational and strategic leadership across the organization, directing day-to-day manufacturing operations, supply chain management and quality control systems across factory unit. He has over 10 years of professional experience in the textile industry. He has over 10 years of professional experience in the textile industry.

For further details, see section titled "*Our Promoters and Promoter Group*" on page 300 of the Draft Red Herring Prospectus.

4. Objects of the Issue

The net proceeds of the Issue, i.e., gross proceeds of the Issue less the Issue related expenses are proposed to be utilised in the following manner:

1. Funding the capital expenditure requirements of our Company towards civil construction works and the purchase of equipment, plant and machinery in connection with the expansion and augmentation of our Manufacturing Facility ("**Proposed Expansion**");

2. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company; and

3. General corporate purposes.

For further information, see "*Objects of the Issue*" beginning on page 119 of the Draft Red Herring Prospectus.

5. Pre-Issue and Post-Issue shareholding of the Promoter, members of the Promoter Group, additional top 10 Shareholders and other public Shareholders

The aggregate pre-Issue and post-Issue shareholding of the Promoter, additional top 10 Shareholders and other public Shareholders is set forth below:

Sr. No.	Name of the Shareholders	Pre-Issue shareholding as at the date of this Draft Red Herring Prospectus		Post-Issue shareholding at Allotment[(1)]			
				At lower end of the price band (₹ [●])		At upper end of the price band (₹ [●])	
		Number of Equity Shares of face value of ₹ 10 each	Shareholding (in %)	Number of Equity Shares of face value of ₹ 10/- each	Shareholding (in %)	Number of Equity Shares of face value of ₹ 10/- each	Shareholding (in %)
Promoter							
1.	Patel Nilesh Kumar Babubhai	2,130,000	5.83	[●]	[●]	[●]	[●]
2.	Rahulkmar Abji Dholu	2,325,000	6.37	[●]	[●]	[●]	[●]
3.	Radheshyam Parshottambhai Pokar	2,480,000	6.79	[●]	[●]	[●]	[●]
Sub-Total (A)		**6,935,000**	**18.99**				
Promoter Group (Other than our Promoter)							
1.	Kalpesh Abjibhai Dholu	2,325,000	6.37	[●]	[●]	[●]	[●]
2.	Abji Karamshi Dholu	1,550,000	4.24	[●]	[●]	[●]	[●]
3.	Purshottambhai Khimjibhai Patel	1,240,000	3.4	[●]	[●]	[●]	[●]
4.	Pokar Archanaben Radheshyambhai	930,000	2.55	[●]	[●]	[●]	[●]
5.	Patel Shilaben Nileshkumar	930,000	2.55	[●]	[●]	[●]	[●]
6.	Taraben Parshottambhai Patel	930,000	2.55	[●]	[●]	[●]	[●]
7.	Patel Ishwarbhai Karamshibhai	7,75,000	2.12	[●]	[●]	[●]	[●]
Sub-Total (B)		**8,680,000**	**23.77**	[●]	[●]	[●]	[●]
Additional top 10 Shareholders (Other than our Promoters and Promoter Group)							
1.	Amee D Shah	2,941,177	8.05	[●]	[●]	[●]	[●]
2.	Shah Dhiren Mahendrakumar (HUF)	1,470,589	4.03	[●]	[●]	[●]	[●]
3.	Patel Harilal Arjanbhai	1,240,000	3.40	[●]	[●]	[●]	[●]
4.	Dushyantkumar Narayanbhai Bhojani	775,000	2.12	[●]	[●]	[●]	[●]
5.	Patel Rajeshkumar	620,000	1.70	[●]	[●]	[●]	[●]
6.	Ronakkumar Mohanbhai Patel	620,000	1.70	[●]	[●]	[●]	[●]
7.	Parekh Mukeshkumar Ganpatlal	620,000	1.70	[●]	[●]	[●]	[●]
8.	Chandrakant Mohanbhai Patel	620,000	1.70	[●]	[●]	[●]	[●]
9.	Chandulal M Makani	620,000	1.70	[●]	[●]	[●]	[●]
10.	Mahendra Manilal Makani	620,000	1.70	[●]	[●]	[●]	[●]
Sub-Total (C)		**10,146,766**	**27.79**	[●]	[●]	[●]	[●]
Other Public Shareholders							
Public Shareholders		10,753,234	29.45	[●]	[●]	[●]	[●]
Sub-Total (D)		**10,753,234**	**29.45**	[●]	[●]	[●]	[●]
Total (A+B+C+D)		**3,65,15,000**	**100**	[●]	[●]	[●]	[●]

Note:

(1) To be updated at the Prospectus stage. Based on the Issue price of ₹ [●] and subject to finalisation of the basis of allotment.

(2) As on the date of this Draft Red Herring Prospectus, our Company has 27 other public Shareholders (based on beneficiary position statement available on September 11, 2026).

For further details, please refer to the section titled “Capital Structure” on page 80 of the Draft Red Herring Prospectus.

6. Summary of selected financial information derived from the Restated Consolidated Financial Information

The summary of certain financial information as at and for the Fiscals 2026, 2025 and 2024, as derived from the Restated Financial Information is set forth below:

(in ₹ million, unless otherwise stated)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Equity share capital	310	310	310
Net worth[(1)]	1,287.70	956.80	718.41
Revenue from operations [(2)]	3,453.33	2,761.83	2,223.54
EBITDA [(3)]	648.16	539.4	320.13
Profit/(loss) after tax [(4)]	329.89	238.95	99.97
Basic EPS (₹) [(5)]	10.64	7.71	3.22
Diluted EPS (₹) [(6)]	10.64	7.71	3.22
Return on Net Worth (%) [(7)]	29.40%	28.53%	14.93%
Net asset value per equity share (₹) [(8)]	41.54	30.86	23.17
Total borrowings	1143.23	867.12	985.43
Net cash flow from/ (used in) operating activities	83.38	287.92	180.87
Net cash flow from/ (used in) investing activities	(221.21)	(50.50)	2.05
Net Cash flow from financing activities	151.55	(236.76)	(182.60)

(1) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(2) Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.

(3) EBITDA is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) and depreciation & amortization expenses minus Other Income.

(4) Profit after Tax means profit / (loss) for the period/ year from continuing and discontinued operations attributable to the owners of the parent company as appearing in the Restated Financial Information

(5) Basic EPS (₹) = Restated profit for the year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding at end of year/period in accordance with the principles of Ind AS 33.

(6) Diluted EPS (₹) = Restated profit for the year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding at end of year/period, in accordance with the principles of Ind AS 33.

(7) Return on Net Worth (RoNW) = Restated net profit after tax for the years attributable to the owners of the Company (equity attributable to the owners of the Company) divided by net worth as at and of the relevant year period

(8) Net asset value per share= Net Asset Value per equity share represents net worth as at the end of the fiscal year, as restated, divided by the number of Outstanding Equity Shares outstanding at the end of the period/year.

For further details, see section titled "Restated Financial Information" and "Other Financial Information" on pages 307 and 361 of the Draft Red Herring Prospectus, respectively.

7. Summary of Key Performance Indicators

Details of our KPIs as at/ for the Fiscal Years ended March 31, 2026, March 31, 2025, and March 31, 2024, are set out below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
GAAP Measures			
Revenue from operations (₹ in million) [(1)]	3,453.33	2,761.83	2,223.54
Profit before Tax (₹ in million) [(2)]	452.97	353.59	135.92
Profit After Tax (₹ in million) [(3)]	329.89	238.95	99.97
Net Worth (₹ in million) [(4)]	1,287.70	956.80	718.41
Non-GAAP Measures			
Growth in Revenue from Operations (%) [(5)]	25.04%	24.21%	NA
Profit After Tax Margin (%) [(6)]	9.55%	8.65%	4.50%
EBITDA (₹ in million) [(7)]	648.16	539.40	320.13
EBITDA Margin (%) [(8)]	18.77%	19.53%	14.40%
EBIT (₹ in million) [(9)]	574.25	468.07	248.75
EBIT Margin (%) [(10)]	16.63%	16.95%	11.19%
RoE (%) [(11)]	29.40%	28.53%	14.93%
RoCE (%) [(12)]	25.80%	25.17%	13.97%
Debt to Equity Ratio [(13)]	0.89	0.91	1.37
Operating Cash Flows (₹ in million) [(14)]	83.38	287.92	180.87
Operational Metrics			
Installed Capacity (Spinning- in MT) [(15)]	9,307.50	9,307.50	9,307.50
Utilised Capacity (Spinning- in MT) [(16)]	8,819.90	8,644.51	5,269.12
Utilised Capacity (Spinning- in %) [(17)]	94.76%	92.88%	56.61%
Number of Employees [(18)]	178	177	135
Cotton Yarn Sales Volume (MT) [(19)]	10,428.97	10,213.52	4,945.21
Spindle Capacity (in numbers) [(20)]	27,360	27,360	27,360

Notes:

(1) Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information.
(2) Profit Before Tax means profit/(loss) before tax as appearing in the Restated Financial Information including profit / (loss) from discontinued operation and exceptional items.
(3) Profit after Tax means profit / (loss) for the period/ year from continuing and discontinued operations attributable to the owners of the parent company as appearing in the Restated Financial Information.
(4) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
(5) Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant year minus Revenue from Operations of the preceding year, divided by revenue from operations of the preceding year.
(6) Profit after Tax Margin refers to the percentage margin derived by dividing profit after tax by Revenue from Operations.
(7) EBITDA is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) and depreciation & amortization expenses minus Other Income.
(8) EBITDA Margin (%) is computed as EBITDA divided by revenue from operations.
(9) EBIT is calculated as profit / (loss) before tax for the period / year plus finance costs (including interest on lease liability) minus Other Income.
(10) EBIT Margin (%) is computed as EBIT divided by revenue from operations.
(11) Return on Equity (RoE) refers to the profit for the year/period attributable to equity shareholders of our Company divided by Average Equity attributable to owners of the parent company as at beginning and end of the relevant year/period.
(12) Return on Capital Employed (ROCE): Calculated as Earnings before Interest and Tax (EBIT) divided by Average of opening and closing Capital Employed where Capital Employed equals Total Equity + Current/Non-Current Term Borrowings including lease liability + Deferred Tax (Asset)/ Liability - Intangible Assets (including Intangible Assets under Development).
(13) Debt-equity ratio calculated as total debt (current and non-current borrowings) divided by total Equity.
(14) Net Cash Generated from Operating Activities refers to the net amount of cash inflows and outflows arising from the principal revenue-generating activities of a company during a specified period.
(15) Installed Capacity of the Spinning Division (in MT) refers to the estimated quantity of Cotton Yarn that can be produced based on the standard count of Ne 20, Carded / Compact type.
(16) Utilised Capacity of the Spinning Division (in MT) refers to the actual total quantity of Cotton Yarn produced (in MT) across various counts and types during the relevant period.
(17) Utilised Capacity of the Spinning Division (in %) is calculated by dividing the Utilised Capacity of the Spinning Division (in MT) by the Installed Capacity of the Spinning Division (in MT) and multiplying the result by 100.
(18) Nos. of Employees represents the closing headcount of permanent employees as at the end of the respective period.
(19) Cotton Yarn Sales Volume (in MT) refers to the total quantity of Cotton Yarn sold (in MT), including Cotton Yarn manufactured by the Company and Cotton Yarn sold as part of its trading activities.
(20) Spindle Capacity (in Numbers) refers to the total number of spindles installed and available for production in the Spinning Division as at the relevant reporting date.

For further details, see section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*" on page 365 of the Draft Red Herring Prospectus. Further, for comparison with the listed peer(s) and detailed disclosures on such KPIs, see section titled "*Basis for Issue Price - Comparison of our KPIs with listed industry peers*" on page 153 of the Draft Red Herring Prospectus.

8. Risk Factors

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

(i) Our largest customer, top five customers, and our top ten customers contributed 42.26%,86.56% and 96.17%, respectively, of our revenue from operations for Fiscal 2026, 27.50%,75.43% and 89.58% respectively, for Fiscal 2025, and 27.40%, 66.65% and 73.60%, respectively, for Fiscal 2024. Any reduction in orders, loss of business, or adverse change in the relationship with one or more of these key customers could materially and adversely affect our business, financial condition, results of operations and cash flows.

(ii) We are primarily dependent upon our largest supplier and top ten suppliers for our principal raw material cotton bales, packing material, stores and spares and stock-in-trade. For Fiscal 2026, Fiscal 2025 and Fiscal 2024, these top ten suppliers contributed 60.40%, 45.46% and 57.68% respectively of our total purchases. Further, a majority of our purchases of cost of material consumed and stock-in-trade is made from suppliers based in Gujarat. Any disruption, delay, or inability of these suppliers to fulfil their commitments may materially and adversely affect our production, financial performance, and growth prospects.

(iii) We do not have long-term arrangements with our customers or with our suppliers of raw materials. Any reduction or discontinuance of orders by our customers, or any disruption in the supply of raw materials by our suppliers, whether owing to the absence of formal arrangements or to a shortage of raw materials in the market, could adversely affect our business operations.

(iv) Our business is significantly exposed to volatility in the cost of key inputs, particularly cotton bales and electricity, which together accounted for 42.38%, 51.78% and 44.66% of our revenue from operations for Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Any increase in the cost of these inputs, or any shortage or disruption in the supply of cotton bales or electricity, may lead to increased operating costs, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

(v) A significant portion of our revenue is derived from the manufacture of EliTwist technology-based compact yarn and from the trading of cotton bales and cotton yarn Any decline in demand for these categories of yarn or cotton bales, pricing pressures, or adverse developments in the textile industry could materially and adversely impact our business, financial condition, and results of operations.

(vi) We derive a significant portion of our revenue through traders and agents. During Fiscal 2026, Fiscal 2025 and Fiscal 2024, 87.12%, 60.59% and 60.17%, respectively, of our revenue from operations was generated through sales facilitated by traders and agents. Consequently, any disruption in these relationships, deterioration in the performance of such traders or agents, or increase in commission costs could materially and adversely affect our business, financial condition, results of operations and cash flows.

(vii) Continued operations at our Manufacturing Facility is critical to our business and unplanned slowdowns, unscheduled shutdowns or prolonged disruptions or any disruption in our Manufacturing Facility would have a material adverse effect on our business, results of operations and financial condition.

(viii) We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

(ix) Our inability to effectively manage our growth or successfully implement our business strategies may adversely affect our business, financial condition, and results of operations.

(x) Our Company had in past not complied or delayed in complying with certain provisions of the Companies Act, 2013. Further, our Company has filed adjudication applications with RoC and these applications are currently pending with the RoC. Also, challans in relation to some of our statutory forms in terms of Companies Act, 2013 are untraceable. Any adverse action in this regard, if determined against us, could attract penalties and prosecution against the Company and our directors, which could impact the financial position and results of operations of our Company to that extent.

For further details, please see section titled '*Risk Factors*' on page 24 of the Draft Red Herring Prospectus.

9. Details of weighted average cost of acquisition of Equity Shares of the Promoter

Set out below are details of the Weighted Average Cost of Acquisition (WACA) per Equity Share of our Promoters:

Name	**Number of Equity Shares held as of the date of this Draft Red Herring Prospectus***	**Number of Equity Shares acquired since inception***	**Weighted average cost of acquisition per Equity Shares (in ₹)***
Promoter			
Patel Nilesh Kumar Babubhai	2,130,000	2,130,000	3.64
Rahulkmar Abji Dholu	2,325,000	2,325,000	10.00
Radheshyam Parshottambhai Pokar	2,480,000	2,480,000	13.01

* *As certified by M/s Mistry & Shah LLP, Chartered Accountants (Firm Registration Number: 122702W/ W100683) pursuant to certificate dated September 17, 2026.*

10. Board of Directors and Key Managerial Personnel

The names and designations of members of the Board of Directors and Key Managerial Personnel are set forth below:

S.No.	**Name**	**Designation**
Board of Directors		
1.	Rahulkumar Abji Dholu	Chairman & Managing Director
2.	Radheshyam Parshottambhai Pokar	Executive Director
3.	Patel Nilesh Kumar Babubhai	Executive Director
4.	Dharaben Chirag Patel	Independent Director
5.	Meeta Tejas Prajapati	Independent Director
6.	Shweta Mihir Panelia	Independent Director
Key Managerial Personnel		
1.	Patel Utsavkumar Arvindbhai	Chief Financial Officer
2.	Jotaniya Sahul Natvarbhai	Company Secretary and Compliance Officer

For further details, see section titled "*Our Management'* on page 285 of the Draft Red Herring Prospectus.

11. Auditor Qualifications

The Statutory Auditors are Mistry & Shah LLP, Chartered Accountants. There are no qualifications of the Statutory Auditors in their audit reports on our audited financial statements which have not been given effect to in the Restated Financial Information.

12. Summary table of outstanding litigation

A summary of outstanding litigation and the monetary amount involved in the cases involving our Company, our Promoter, our Directors, Key Managerial Personnel and Senior Management is mentioned below:

Name	Criminal proceedings (number)	Tax proceedings (number)	Actions taken by statutory or regulatory authorities	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material Litigation* (number)	Aggregate** amount involved (₹ in million)
Company						
By our Company	Nil	Not applicable	Not applicable	Not applicable	1	105.92
Against our Company	Nil	4	Nil	Nil	Nil	10.23
Directors other than Promoters						
By our Directors	Nil	Not applicable	Not applicable	Not applicable	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By our Promoters	Nil	Not applicable	Not applicable	Not applicable	Nil	Nil
Against our Promoters	Nil	2	Nil	Nil	Nil	5.45
Key Managerial Personnel or Senior Management						
By our KMP or Senior Management	Nil	Not applicable	Not applicable	Not applicable	Nil	Nil
Against our KMP or Senior Management	Nil	Nil	Nil	Nil	Nil	Nil

**In accordance with our Materiality Policy. For further details, see 'Outstanding Litigation and Material Developments' at page 397.*
***To the extent quantifiable.*
As certified by M/s Mistry & Shah LLP, Chartered Accountants (Firm Registration Number: 122702W/ W100683) pursuant to certificate dated September 17, 2026.

For further details, see section titled "*Outstanding Litigation and Other Material Developments*" on page 397 of the Draft Red Herring Prospectus.

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.