



T.C. TERRYTEX LIMITED

Corporate Identity Number: U17220PB2005PLC028877

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Village Sarsini, Amb-Chd Highway, Near Lalru, Tehsil Derabassi, Lalru, Punjab- 140 501, India.	N.A.	Ms. Tanvi Mahendru Company Secretary and Compliance Officer	E-mail: Legal@tctl.in Telephone: 01762-506607	https://tctl.in/

OUR PROMOTERS: MR. AKHIL SATIA, MR. SHRAVAN SETHI AND SHIV PARIVAR TRUST

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE [^]	OFFER FOR SALE SIZE	TOTAL OFFER SIZE [^]	ELIGIBILITY AND RESERVATIONS
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹ 1,700 million	Up to 67,50,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	This Offer is being made through the Book Building Process in accordance with 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 details in relation to share reservation amongst Qualified Institutional Buyers, Non-Institutional Bidders and Retail Individual Bidders, see “Offer Structure” on page 331.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OFFERED / AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH (IN ₹) ⁽¹⁾
Ashis Living Private Limited	Investors Selling Shareholder	Up to 67,50,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	14.97

*As certified by our Statutory Auditor, M/s J Mandal & Co, pursuant to their certificate dated March 30, 2026

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer for sale of Equity Shares of our Company, there has been no formal market for the Equity Shares of the face value of the Equity Shares is ₹10 each of our Company. The Floor Price, Cap Price and Offer Price (as determined by our Company, in consultation with the Book Running Lead Manager (“BRLM”), in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares of ₹10 each by way of the Book Building Process, as stated under “Basis for the Offer Price” on page 113) should not be considered to be indicative of the market price of the Equity Shares of face value ₹10 each after the Equity Shares are listed. No assurance can be given regarding an active and/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 Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page Error! Bookmark not defined..

ISSUER’S AND SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole, or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed by such Selling Shareholders in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to them and/or their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company’s business or any other Selling Shareholders or persons.

LISTING

The Equity Shares 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”). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

NAME AND LOGO OF BOOK RUNNING LEAD MANAGER	CONTACT PERSON	EMAIL AND TELEPHONE
SOBHAGYA CAPITAL OPTIONS PVT. LTD.	Sobhagya Capital options Private Limited	Ms. Menka Jha/ Mr. Rishabh Singhvi Contact No.: +91 99203 79029/ 78360 66001

REGISTRAR TO THE OFFER

NAME AND LOGO OF THE REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
Skyline Financial Services Pvt. Ltd.	Skyline Financial Services Private limited	Mr. Anuj Rana 011-40450193-197

BID/ OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD ⁽¹⁾	[●]	BID/OFFER OPENS ON ⁽²⁾	[●]	BID/OFFER CLOSES ON ^{(2)(3)^}	[●]
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⁽¹⁾Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Offer Opening Date.

⁽²⁾Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 (one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

⁽³⁾Our Company, in consultation with the BRLM, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹ 150.00 million prior to filing of the Red Herring Prospectus with the RoC ("Pre-IPO Placement"). The Pre-IPO Placement, if undertaken, will be at a price determined 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, 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 Offer, or the Offer may be successful and will result into 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) in accordance with Regulation 54 of SEBI ICDR Regulations. 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 RHP and Prospectus.

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

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 the Draft Abridged Prospectus

The following is a general summary of certain disclosures in the Draft Red Herring Prospectus and the terms of the Offer 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 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://tctl.in/> and the BRLM at <https://www.sobhagyacapital.com/initial-public-offer/>

References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated March 30, 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*

Our Company operates in the cotton-based home textile segment and is engaged in the manufacture and export of terry towel products, along with the sale and processing of dyed yarn. Our Company has been in operation since August 30, 2005, and our Promoter has business experience and expertise of over 17 years.. Our product portfolio includes dobby (piece dyed) towels, jacquard towels, and a wide range of terry towel products such as face towels, hand towels and bath towels, designed to meet industry standards of durability and performance.

Over the years, our Company has developed and expanded our manufacturing capabilities for the production of terry towel products through the installation of advanced semi-automatic machinery imported from select overseas manufacturers, primarily from Japan. Our Company's manufacturing facilities located at Sarsini, Mohali, Punjab, undertake various stages of the towel manufacturing process including yarn dyeing, warping, weaving, fabric processing, finishing and packaging. As on March 31, 2025, our installed production capacity stood at 9,349.90 MTPA for terry towels and 5,845.00 MTPA for dyed yarn.

Our Company supplies products across both domestic and international markets, with exports forming a significant portion of revenue. We export to several countries, including Australia, the United States, the United Kingdom and Canada, and have been recognized as a "Three Star Export House" by the Directorate General of Foreign Trade in 2024, reflecting our strong export performance and adherence to global quality standards.

We operate as a business-to-business (B2B) supplier under a made-to-order model, catering to bulk and customized requirements, including private labelling. This enables efficient inventory management and optimal resource utilization. In Fiscal 2025, revenue from product sales amounted to ₹6,198.33 million, with terry towels contributing 75.79%, dyed yarn 23.67%, and other items 0.54%. Export revenues accounted for 75.17% of product sales, highlighting our strong global presence.

Our revenue from operations increased from ₹5,441.31 million in Fiscal 2023 to ₹6,734.80 million in Fiscal 2025, registering a CAGR of 11.25%. Profit after tax grew from ₹90.28 million in Fiscal 2023 to ₹170.02 million in Fiscal 2025, while EBITDA increased from ₹452.37 million to ₹590.41 million during the same period.

Our business is broadly divided into two key verticals: (i) toweling products and (ii) dyed yarn, enabling us to cater to a diversified customer base across domestic and international markets.

(b) *Industries Served and Typical Customers*

We cater to a diverse range of industries within the textile and home furnishing ecosystem, supplying products to retail chains, institutional buyers, hospitality sector participants, trading houses, exporters, and textile and yarn mills. Our customer base spans both domestic and international markets, Though major component of our revenue comes from international markets which comprises businesses that require bulk procurement and consistent product quality. We have also established long-standing relationships with some of the leading consumer brands such as K Mart, and we also serve clients seeking customized specifications, including private labelling and branding solutions. This enables us to build long-term relationships across multiple segments and geographies.

(c) *Segment Reporting and Revenue Contribution*

Our Company is engaged in the business of manufacturing and export of terry towels and the sale and processing of dyed yarn. There are no separate reportable segments. For further details, please see “Restated Financial Information – Note 45 – Segment reporting” on page 241.

(d) Key Geographies

We serve customers across India and overseas in countries including Australia, USA, UK, Canada, Germany and others.

(e) Revenue Concentration Among Top 5 Customers

Our revenue demonstrates a moderate concentration among our top five customers across the reported periods. During the six-month period ended September 30, 2025, our top five customers contributed ₹1,571.24 million, representing 48.41% of our revenue from operations for the period. Further, in Fiscal 2025, the top five customers contributed ₹3,180.02 million (47.22%) of our revenue, compared to ₹2,935.95 million (44.86%) in Fiscal 2024 and ₹2,384.41 million (43.82%) in Fiscal 2023.

The consistent contribution of approximately 44%–49% indicates a stable reliance on key customers, while also reflecting a diversified customer base beyond the top five.

(f) Key Facilities

As on the date of the Draft Red Herring Prospectus, our Company operates a manufacturing facility located at Dera Bassi, Punjab, which undertakes various stages of the production process. For further details, see “Our Business – Material Properties” on page 174.

(g) Business Strengths and Strategies

Strengths

- (1) Fast sampling due to specialized machines
- (2) Ability to manufacture small order lots on time
- (3) Dedicated design team for developing quality products
- (4) Timely delivery of goods while meeting quality standards
- (5) Experienced management team and promoters with a qualified workforce
- (6) Long standing association with leading consumer brands
- (7) Healthy financial performance
- (8) Strong presence in the Australia, US and UK markets
- (9) Vertically integrated producer with strategically located operations

Strategies

- (1) Debt reduction and improvement in operational efficiency and profitability.
- (2) Continuous expansion of manufacturing capacity.
- (3) Strengthening export-led growth strategy.
- (4) Product innovation and diversification.
- (5) Enhancing operational efficiency and cost optimization.

- (6) Promoting sustainability and eco-friendly practices.
- (7) Customer-centric approach and brand building.
- (8) Expansion of small-order capabilities.
- (9) Strengthening workforce capabilities.

For further details, see “*Our Business*” beginning on page 174 of the Draft Red Herring Prospectus.

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

The Indian textile and home textile industry is a significant contributor to global trade, with India being among the leading exporters of textiles and apparel. The sector benefits from cost competitiveness, strong manufacturing capabilities and growing global demand, supported by rising disposable incomes, urbanization, expansion of e-commerce and organized retail, and demand from hospitality, healthcare and real estate sectors.

The home textile segment, particularly bed and bath linen, is witnessing steady growth driven by increasing consumer preference for premium, sustainable and aesthetically appealing products. Cotton-based textiles dominate due to their durability, comfort and breathability, while demand for organic and eco-friendly products continues to rise globally.

Terry towels form a key segment within bath linen and are widely used across households, hospitality and healthcare sectors due to their high absorbency and durability. India is a major global supplier of cotton terry towels, exporting primarily to the United States, Europe and the Middle East. Production reached an all-time high of approximately 1,05,450 tonnes in FY 2025, supported by strong export demand. Exports peaked at USD 535.43 million in FY 2022, with the United States accounting for over 50% of exports.

Yarn is a fundamental raw material in textile manufacturing, including terry towels. While cotton yarn remains widely preferred, synthetic yarn is gaining traction due to its durability and performance characteristics.

Overall, the industry is characterized by strong export orientation, technological advancements, sustainability focus and growing domestic consumption, supporting long-term growth.

For further details, see “*Industry Overview*” beginning on page 128.

3. Promoters

The Promoters of our Company are Akhil Satia, Shravan Sethi and Shiv Parivar Trust.

Akhil Satia

Mr. Akhil Satia, aged 43 years, is the Managing Director of our Company with extensive experience in the textile industry and international business practices. He holds a Master of Science in International Business from the University of Birmingham, UK. Since 2005, he has led the Company’s growth, expanding its presence in domestic and global markets, driving innovation, ensuring consistent financial performance and promoting sustainable and responsible business practices through strategic leadership.

Shravan Sethi

Shravan Sethi, aged 32 years, is the Promoter of our Company. He holds a bachelor’s degree in business administration from Amity University. His Permanent Account Number is DTUPS6388P. He is currently associated with our Company and contributes to its business activities.

Non-Individual Promoter

Shiv Parivar Trust

Shiv Parivar Trust is a non-individual promoter of our Company. The trust was originally constituted as *Anil Satia Trust* pursuant to a trust deed dated March 25, 2015 and was subsequently renamed as *Shiv Parivar Trust* through a supplementary deed dated August 17, 2017. The primary office of the trust is located at First Floor, SCO 90-91-92, Sector 8-C, Chandigarh, India.

For further details, see “*Promoters and Promoter Group*” beginning on page 233.

4. Objects of the Offer

The Offer comprises of the Fresh Issue of [●] equity shares of face value of ₹10 each, aggregating up to ₹1,700.00 million by our Company and the Offer for Sale of 67,50,000 equity shares of face value of ₹10 each aggregating up to ₹ [●] million by the Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale, and such proceeds will be received by the selling shareholders after deduction of their respective portion of the Offer-related expenses and the relevant taxes thereon.

Our Company proposes to utilize the Net Proceeds towards the following objects:

(₹ in million)

Particulars	Amount proposed to be funded from the Net Proceeds ⁽¹⁾
Pre-payment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company.	1,200.00
General corporate purposes ⁽²⁾	[●]
Total Net Proceeds	[●]

* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes general corporate purposes, will not exceed 25% of the Gross Proceeds of the Fresh Issue.

**Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Our Company, in consultation with the BRLM, may consider a pre-IPO Placement aggregating upto ₹ 150 million, prior to filing of the Red Herring Prospectus. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, 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 Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. 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 RHP and the Prospectus. If the Pre-IPO Placement is undertaken, the amount raised pursuant to such Pre-IPO Placement will be reduced from the amount of the Fresh Issue, subject to compliance with the SEBI ICDR Regulations and the SCRR. Upon allotment of Equity Shares pursuant to the Pre-IPO Placement, our company may utilize the proceeds from the Pre-IPO Placement towards the Objects as set out in this section.

For further details, see “*Objects of the Offer*” on page 96.

5. Pre-Offer and Post-Offer shareholding of our Promoters, members of the Promoter Group and top 10 Shareholders

The aggregate shareholding of each of the Promoters, members of our Promoter Group and top 10 Shareholders (other than our Promoters and members of our Promoter Group) is set out below:

S. No.	Pre-Offer shareholding at the date of the Draft Red Herring Prospectus			Post-Offer shareholding as at Allotment ^{(1)^}			
				At the lower end of the price band (₹[●]) ^s		At the upper end of the price band (₹[●]) ^s	
	Name of the Shareholders	Number of Equity Shares of face value of ₹ 10 each	Percentage of shareholding (%)	Number of Equity Shares of face value of ₹ 10 each	Percentage of shareholding (%)	Number of Equity Shares of face value of ₹10 each	Percentage of shareholding (%)
Promoters							
1.	Akhil Satia	6,48,56,130	50.15	[●]	[●]	[●]	[●]
2.	Shravan Sethi	Nil	Nil	[●]	[●]	[●]	[●]
3.	Shiv Parivar Trust	4,97,70,400	38.49	[●]	[●]	[●]	[●]
Members of our Promoter Group							
4.	Sabhyata Satia	22,28,500	1.72	[●]	[●]	[●]	[●]
5.	T C Leasing And Investment LLP (formally known as T C Leasing and Investment Private Limited)	4,40,250	0.34	[●]	[●]	[●]	[●]
Public category							
6	Ashis Living Private Limited	1,05,21,500	8.14	[●]	[●]	[●]	[●]
7	NNM Securities Private Limited	8,55,000	Negligible	[●]	[●]	[●]	[●]
8	Mr. Varun Arora & Rahul Tyagi (Joint Partner of V.R Enterprises)	440,250	Negligible	[●]	[●]	[●]	[●]

S. No.	Pre-Offer shareholding at the date of the Draft Red Herring Prospectus			Post-Offer shareholding as at Allotment ^{(1)^}			
				At the lower end of the price band (₹ ●) [§]		At the upper end of the price band (₹ ●) [§]	
	Name of the Shareholders	Number of Equity Shares of face value of ₹ 10 each	Percentage of shareholding (%)	Number of Equity Shares of face value of ₹ 10 each	Percentage of shareholding (%)	Number of Equity Shares of face value of ₹10 each	Percentage of shareholding (%)
9	Manubhai Lakhbhai Khunt	50,000	Negligible	[●]	[●]	[●]	[●]
10	Akshit Chimanbhai Avaiya	25,000	Negligible	[●]	[●]	[●]	[●]

[§]To be filled in at the Prospectus stage, upon finalisation of Price Band

[^]The post-Offer shareholding shall be updated in the Abridged Prospectus and Prospectus.

* Also, a Selling Shareholder

⁽¹⁾ Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Further, assuming that there is no transfer of Equity Shares by the Shareholders between the date of the Price Band advertisement and Allotment, and if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus.

For further details, see “**Capital Structure**” beginning on page 79.

6. Summary of Restated Financial Information

The following details are derived from the Restated Financial Information:

(in ₹ million, unless otherwise stated)

Particulars	As at and for six month period ended September 30, 2025	As at and for Financial Year ended March 31, 2025	As at and for Financial Year ended March 31, 2024	As at and for Financial Year ended March 31, 2023
Equity share capital	1,293.18	1,293.18	1,293.18	1,293.18
Net worth ⁽¹⁾	1889.42	1813.05	1641.45	1504.34
Revenue from operations ⁽²⁾	3,245.79	6,734.80	6,544.22	5,441.31
EBITDA ⁽³⁾	271.99	590.41	503.63	452.37
Profit after tax ⁽⁴⁾	78.73	170.01	134.40	90.28
Return on Equity (%) ⁽⁵⁾	4.25%	9.84%	8.54%	6.19%
Basic and Diluted Earnings per Equity Share ⁽⁶⁾	0.61	1.31	1.04	0.70
Net Asset Value per Equity Share (in ₹) ⁽⁷⁾	14.61	14.02	12.69	11.63
Total borrowings ⁽⁸⁾	1,594.48	1,752.00	1,936.00	2,043.90
Net cash generated from operating activities	298.87	552.36	507.10	392.43
Net cash generated from / (used in) investing activities	(28.96)	(149.67)	(185.09)	(86.90)
Net cash generated from / (used in) financing activities	(272.99)	(402.37)	(335.92)	(318.92)

Notes:

- (1) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account after deducting the aggregate value of the accumulating losses, deferred expenditure and miscellaneous expenditure not written off but does not include reserve created out of revaluation of assets, write back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.
- (2) Revenue from Operations means the revenue from operations for the period / year.
- (3) EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.
- (4) Profit after Tax means the profit after tax for the year/ period.
- (5) Return on Equity is calculated as restated profit for the period / year divided by average total equity.
- (6) Basic and Diluted Earnings per Equity Share is calculated by dividing the restated profit for the period / year by the number of equity shares outstanding during the period / year, adjusted for the effects of all dilutive potential equity shares, if any.
- (7) Net Asset value per equity share is defined as net worth divided by outstanding number of equity shares.
- (8) Total borrowings include non-current borrowings and current borrowings as per restated statement of assets and liabilities.

For further details, see “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**”, “**Basis for Offer Price**” and “**Restated Financial Information**” beginning on pages 259, 113 and 241, respectively.

7. Summary of Key Performance Indicators

Details of our KPIs as at and for the six month period ended September 30, 2025 and for the Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023 are set out below:

Particulars	As at September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations	3245.79	6734.8	6544.22	5441.31
Revenue Growth (in %) ⁽¹⁾	NA	2.91%	20.27%	-0.30%
EBITDA ⁽²⁾	271.99	590.41	503.63	452.37
EBITDA Growth (in %) ⁽³⁾	NA	17.23%	11.33%	10.85%
EBIT ⁽⁴⁾	217.82	476.68	420.14	347.90
EBIT Growth (in %) ⁽⁵⁾	NA	13.46%	20.76%	11.90%
Profit After Tax ⁽⁶⁾	78.73	170.01	134.40	90.28
Profit After Tax Growth (in %) ⁽⁷⁾	NA	26.50%	48.87%	123.29%
EBITDA Margin ⁽⁸⁾	8.38%	8.77%	7.70%	8.31%
EBIT Margin ⁽⁹⁾	6.71%	7.08%	6.42%	6.39%
PAT Margin ⁽¹⁰⁾	2.43%	2.52%	2.05%	1.66%
Net Worth ⁽¹¹⁾	1889.43	1813.05	1641.45	1504.34
Total Debt ⁽¹²⁾	1594.48	1752.00	1936.00	2043.90
Debt/Equity ⁽¹³⁾	0.84	0.97	1.18	1.36
ROE ⁽¹⁴⁾	4.25%	9.84%	8.54%	6.19%
ROCE ⁽¹⁵⁾	6.18%	13.35%	11.79%	9.81%
Total Debt / EBITDA ⁽¹⁶⁾	5.86	2.97	3.84	4.52
Fixed Asset Turnover Ratio ⁽¹⁷⁾	2.84	5.56	5.71	5.16
Current Ratio ⁽¹⁸⁾	1.31	1.33	1.33	1.39

Notes:

(1) KPI as identified and approved by the Audit Committee of the board of directors of our Company pursuant to their resolution dated March 28, 2026, and certified by the Independent Chartered Accountant, pursuant to their certificate dated March 28, 2026.

(2) For both the Company and its listed peers, components of Other Equity have been considered after excluding balances of Other Comprehensive Income (OCI) that are subject to potential reclassification to the Statement of Profit and Loss in the future. Such re-classifiable items have been excluded on the basis that they do not represent permanent equity and may affect future earnings.

(3) Revenue Growth (%) = (Revenue from operation in Current Period – Revenue from operation in Previous Period) / Revenue in Previous Period × 100

(4) Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) = Profit Before Tax (PBT) + Finance Costs + Depreciation & Amortization - Other Income

(5) EBITDA Growth (%) = ((EBITDA in Current Period – EBITDA in Previous Period) / EBITDA in Previous Period) × 100

(6) Earnings Before Interest and Taxes (EBIT) = Profit Before Tax (PBT) + Finance Costs

(7) EBIT Growth (%) = ((EBIT in Current Period – EBIT in Previous Period) / EBIT in Previous Period) × 100

(8) PAT = Profit before Tax (PBT) – Total Tax Expenses

(9) PAT Growth (%) = ((PAT in Current Period – PAT in Previous Period) / PAT in Previous Period) × 100

(10) EBITDA Margin (Earnings Before Interest, Taxes, Depreciation, and Amortization Margin) = (EBITDA / Revenue from Operations) × 100

(11) PAT Margin (Profit After Tax Margin) = (PAT / Revenue from Operations) × 100

(12) Net worth = Paid-up share capital + Other Equity

(13) Total Debt = Total Borrowings (Long-term + Short-term)

(14) Total Debt to Equity = Total Debt / Equity

(15) Return on Equity (ROE) (%) = (PAT / Average Equity (here Equity = Equity Share Capital + Other Equity)) × 100

(16) Return on Capital Employed (ROCE) (%) = Earnings Before Interest and Taxes (EBIT) / Average Capital Employed (here Capital Employed = Net worth + Total Debt) × 100

(17) Fixed Asset Turnover = Revenue from Operations / Average Net Fixed Assets (here Net Fixed Assets = Net property plant and equipment as per restated financial statement)

(18) Current ratio = Current Asset / Current Liabilities

Operational Key Performance Indicators

(₹ in millions, unless specified)

Particulars	As at September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of Employee's ⁽¹⁾	1,714.00	1,630.00	1,677.00	1,471.00
Total Sale of finished goods (in million) ⁽²⁾	2,991.56	6,198.32	6,073.37	4,987.95
Revenue per Employee (₹ in million) ⁽³⁾	1.75	3.80	3.62	3.39
Capacity Utilization (in %) ⁽⁴⁾				
- Towel	87.83%	88.60%	88.27%	87.92%
- Dyed Yarn	89.14%	93.13%	88.64%	87.50%
Loom Efficiency (%) ⁽⁵⁾	91.13%	95.59%	89.60%	87.92%
Yield Rate (%) ⁽⁶⁾	95.36%	95.73%	94.64%	95.85%
Rejection Rate (%) ⁽⁷⁾	4.64%	4.27%	5.36%	4.15%
Energy Consumption per Kg of Output (kWh/MTPA) ⁽⁸⁾	2.25	2.51	2.56	2.45

Notes:

(1) Number of Employee's represents the total number of employees engaged with the Company as on the end of the respective financial year.

(2) Total Sale of finished goods represents the total sale from finished goods earned by the Company during the respective financial year.

(3) Revenue per Employee's is calculated by dividing the Revenue from sale of product by Total Number of Employee's.

(4) Capacity utilization is the total number of units produced out of total installed capacity.

(5) Loom Efficiency is calculated by dividing the actual operating hours of the looms by the total available loom hours in a day, expressed as a percentage.

(6) Yield Rate is calculated as the proportion of defect-free production to the total production (in metric tonnes) sourced from external capacities, expressed as a percentage.

(7) Rejection rate is calculated as 1 – Yield Rate

(8) Total Energy Consumption is calculated by dividing the total electricity consumed for the Towel Division (in kWh) by the total output produced (in metric tonnes per annum), and then dividing the result by 1,000 to express it in kWh per kg of output

8. Risk Factors

The following are the top 10 internal risk factors as disclosed in the DRHP:

- (1) Our top ten customers contribute a significant portion in the revenue of our Company. Any loss of business from one or more of them may adversely affect our revenues and profitability.
- (2) We depend on third-party suppliers and logistics service providers and do not have long-term supply agreements, which exposes us to risks relating to availability, pricing, quality, and timely delivery of raw materials, which could adversely affect our business, results of operations, and financial condition.
- (3) Our Promoter Group company, Satia Synthetics Limited, whose Managing Director and Promoter is Anil Satia, the father of Akhil Satia, had defaulted on certain loan obligations in the past, and our Promoter and Managing Director, Mr. Akhil Satia, along with Mr. Ankit Satia (a member of the Promoter Group and brother of Mr. Akhil Satia), had extended personal guarantees in connection therewith; although such defaults have been resolved pursuant to a one-time settlement with an asset reconstruction company and no longer subsist as on the date of this Draft Red Herring Prospectus, any adverse developments in relation thereto, any violation of the terms and conditions of such one-time settlement, or any similar instances in the future may adversely affect our business, reputation and financial condition.
- (4) Any downgrade or adverse revision in our credit ratings, or in the sovereign credit ratings of India or other jurisdictions in which we operate, may have an adverse effect on our business, financial condition, results of operations and the trading price of our Equity Shares.
- (5) We derive a significant portion of our revenues from exports, and any adverse developments in international markets or in key export destinations may have an adverse effect on our business, financial condition, results of operations and cash flows.
- (6) There have been delays in payment of statutory dues by our Company. Inability to make timely payment of our statutory dues could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business, financial condition, results of operations, and cash flows.

- (7) For the six-month period ended September 30, 2025, and during Fiscal 2025, 2024 and 2023, the attrition rate of our employees was 35.35%, 66.71%, 59.02% and 57.23%, respectively. If we are unable to hire, integrate, train and retain qualified personnel, or if we experience high attrition levels, which may be beyond our control, our business, financial condition, results of operations and cash flows could be adversely affected.
- (8) Any disruption in our manufacturing facility, equipment or information technology systems could adversely affect our operations.
- (9) Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.
- (10) We have selected providers of our heavy semi-automated machinery which have inbuilt technical support services for the maintenance and smooth functioning of our equipment's and machineries. This makes us heavily reliant on overseas manufacturers of all our equipment, and we rely on only limited number of overseas manufacturers.

Details of weighted average cost of acquisition of equity shares of our Promoters and Selling Shareholders

Details of the weighted average price at which equity shares were acquired by our Promoters and Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus:

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Draft Red Herring Prospectus	7.72	[●]	[●]
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	9.19	[●]	[●]
Last three (3) years preceding the date of this Draft Red Herring Prospectus	10.14	[●]	[●]

Note: The cost calculated above is based on a primary transaction

As certified by M/s. J Mandal & Co. LLP, Chartered Accountants, by way of their certificate dated March 30, 2026.

For details of shareholding of our Promoters, see “*Capital Structure – Details of build-up, contribution and lock-in of Promoters’ shareholding and lock-in of other Equity Shares*” on page 79.

9. 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.	Akhil Satia	Managing Director
2.	Parminder Singh Barnala	Whole-time Director
3.	Aishwaria Sethi	Non-Executive Women Director & Chairperson
4.	Jagjit Singh	Non-Executive Independent Director
5.	Tanuj Gaba	Non-Executive Independent Director
6.	Sourabh Kansal	Non-Executive Independent Director
Key Managerial Personnel		
1.	Rajiv Chopra	Chief Financial Officer
2.	Tanvi Mahendru	Company Secretary

For further details, see “*Our Management*” beginning on page 221.

10. Auditor Qualifications

There are no qualifications, reservations and adverse remarks by our Statutory Auditors in our Restated Financial information.

11. Summary table of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Promoters, Directors, Group Company, Key Managerial Personnel and Senior Management, as applicable, as disclosed in the section titled “*Outstanding Litigation and Material Developments*” on page 299 in terms of the SEBI ICDR Regulations and the Materiality Policy as on the date of this Draft Red Herring Prospectus is provided below:

Type of Proceedings	Number of cases	Amount* (₹ in Million)
Against our Company		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	1	8.00
Tax proceedings	2	6.46
By our Company		
Outstanding Criminal proceedings	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	4	7.97
Against our Promoters		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NIL	NIL
By our Promoters		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NIL	NIL
Against our Directors		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	Nil	Nil
Outstanding material civil litigation	Nil	Nil
Tax proceedings	Nil	Nil
By our Directors		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NA	NA
Against our Key Managerial Personnel and members of Senior Management		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	Nil	Nil
By our Key Managerial Personnel and members of Senior Management		
Outstanding Criminal proceedings	NIL	NIL
Actions initiated by regulatory or statutory authorities	NIL	NIL
Outstanding material civil litigation	NIL	NIL
Tax proceedings	NA	NA

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which will have a material impact on our Company. For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” on page 299.

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” on page 299 and “*Risk Factors – Our Company, Promoter and certain Directors are involved in certain regulatory and criminal proceedings. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations, financial condition and cash flows*” on page 22.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act and shall not be offered or sold within the United States or any state securities laws in 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’ in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, each of the Selling Shareholders and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Abridged Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.