BASIS FOR ISSUE PRICE

The Price Band and Issue Price determined by our Company in consultation with the Book running Lead Manager on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is 1.07 times the Floor Price and 1 time the Cap Price, and Floor Price is 9 times the face value and the Cap Price is 9.6 times the face value. Investors should read the following basis with the sections titled "*Risk Factors*", "*Financial Information*" and the chapter titled "*Our Business*" on page 32, 242 and 185 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

1. We are one of the largest manufacturers of spunbond nonwoven fabrics in India;
2. We provide tailored spunbond nonwoven fabric manufacturing for industry specific needs;
3. Long standing association with different consumers in diverse industries and geographies;
4. Advanced spunbond technology along with cleanroom technology for manufacturing process;
5. Experienced Promoters supported by a strong management and execution team;
6. We ensure consistency in quality and service standards;
7. Consistent financial performance.

For more details on qualitative factors, refer to chapter *"Our Business"* on page 185 of this Prospectus.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Information. For more details on financial information, investors please refer the chapter titled "*Restated Financial Information*" on page 242 of this Prospectus. Investors should evaluate our Company by taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings per Equity Share ("EPS"), adjusted for changes in capital:

Financial period	Basic & Diluted EPS (in ₹)^	Weight
Fiscal 2025	6.28	3
Fiscal 2024	3.20	2
Fiscal 2023	0.66	1
Weighted Average	**4.32**	-

^The EPS computed above are derived after giving the effect of bonus shares issued in the ratio of 13:20 on January 13, 2025.

Notes
(1) Earning per Share are in accordance with Accounting Standard 20 – Earnings per Shore, as amended
(2) Basic Earnings per Equity Share (₹): Profit for the year, as, restated divided by Weighted overage number of equity shares outstanding during the period/year
(3) Diluted Earnings per Equity Share (₹): Profit for the year, as, restated divided by Weighted average number of equity shares outstanding during the period/year
(4) Weighted Average: Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.

2. Price Earning (P/E) Ratio in relation to Price Band of ₹ 90 to ₹ 96 per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2025	14.33	15.29
Based on diluted EPS for Fiscal 2025	14.33	15.29

3. Industry Peer Group P/E Ratio

There are no listed companies whose business operations are similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

4. Return on Net Worth ("RoNW"):

Financial period	RoNW (%)	Weight
Fiscal 2025	31.63 %	3
Fiscal 2024	24.06%	2
Fiscal 2023	5.79%	1
Weighted Average	**24.80%**	**-**

Notes:

(1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.

(2) Return on Adjusted Net Worth (%) = Restated profit for the year divided by average adjusted net worth, where average adjusted net worth is calculated by dividing sum of closing adjusted net worth of the current fiscal year and closing adjusted net worth of the previous fiscal year by 2.

(3) Adjusted Net worth = Equity Share capital plus Reserves and Surplus less Deferred Tax Assets Less Intangible Assets Less Preliminary & Pre-operative Expense

5. Net Asset Value per Equity Share(1):

Particulars	NAV (₹)(2)
As at March 31, 2025	24.31
As at March 31, 2024	15.21
After the Issue	
- At Floor Price	41.62
- At Cap Price	43.20
Issue Price	96.00

***Note**:*

(1) Net Asset Value per Equity Share = Adjusted Net worth derived from Restated Consolidated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of the year as per Restated Consolidated Financial Statements.

(2) The NAV computed above are derived after giving the effect of bonus shares issued in the ratio of 13:20 on January 13, 2025.

6. Key Financial and Operational Performance Indicators

The table below sets forth the details of the key financial and operational performance indicators ("**KPIs**") that our Company considers have a bearing for arriving at the basis for Issue Price. These KPIs have been used historically by our Company to understand and analyse business performance, which in result, help us in analysing the growth of various vertical segments. The Bidders can refer to the below-mentioned KPIs to make an assessment of our Company's performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 28, 2025 and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of this Prospectus have been disclosed in this section and have been subject to verification and certification by M/s. Kaushal

Dave and Associates, Chartered Accountants, bearing firm registration number 143936W, pursuant to certificate dated July 04, 2025, which has been included as part of the "*Material Contracts and Documents for Inspection*" on page 440 of the Prospectus.

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, 2018.

For details of our key operating, financial and other operating metrics disclosed elsewhere in this Prospectus, see "*Our Business*" on page 185 and "*Management's Discussion and Analysis of Financial Condition and Result of Operations*" on page 295.

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

(₹ in lakhs except percentages and ratios)

Sr. No.	Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
1	Revenue from Operations (₹ in lakhs)	22,635.03	14,861.14	11,591.82
2	Total income (₹ in lakhs)	22,713.95	15,424.12	11,768.01
3	Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (₹ in lakhs) (a)	3,122.59	1,500.51	1,080.16
4	EBITDA Margins (%)(b)	13.75%	9.73%	9.18%
5	Profit after Tax (PAT) (₹ in lakhs)	1,079.22	544.18	112.68
6	PAT Margins (%)(c)	4.75%	3.53%	0.96%
7	Cash Profit after Tax (₹ in lakhs) (d)	1,952.89	1,423.88	763.01
8	Current Ratio(e) (In times)	1.21	1.12	1.04
9	Adjusted Net Worth(f)	4,315.34	2,509.11	2,015.17
10	Debt-Equity Ratio(g) (In times)	2.11	1.93	2.46
11	Return on Equity (%)(h)	31.63%	24.06%	5.79%
12	Return on Capital Employed (%)(i)	33.66%	11.55%	7.30%

As certified by our statutory auditors M/s. Kaushal Dave and Associates, Chartered Accountants vide their certificate dated July 04, 2025.

Notes:

a. *EBITDA has been calculated as a sum of profit before tax, finance costs and depreciation and amortization less other income.*
b. *EBITDA Margins is calculated as EBITDA divided by total income.*
c. *PAT Margins (%) is calculated as Profit After Tax carried to balance sheet divided by Total Income.*
d. *Cash Profit After Tax is calculated as a sum of Profit After Tax to balance sheet and Depreciation and Amortisation as per Restated Consolidated Financial Statements.*
e. *Current Ratio is calculated as Total Current Assets divided by Total Current Liabilities.*
f. *Adjusted Net worth is calculated as Equity Share Capital plus Reserve and Surplus less deferred tax Assets, Intangible assets and Preliminary and Pre operative expenses.*
g. *Debt-Equity Ratio is calculated as Total Debt divided by Adjusted Net-Worth as per Restated Financial Statements. Total Debt is calculated as a sum of Long-Term Borrowings and Short-Term Borrowings (including current maturity of long-term borrowings).*
h. *Return on Equity is calculated as Restated profit after tax After Tax carried to balance sheet for the year divided by average adjusted net worth, where average adjusted net worth is calculated by dividing sum of closing adjusted net worth of the current fiscal year and closing adjusted net worth of the previous fiscal year by 2.*
i. *Return on Capital Employed is calculated as Earnings Before Interest and Tax divided by Average Capital Employed. Average Capital Employed is calculated by dividing sum of closing capital employed of the current fiscal year and closing capital employed of the previous fiscal year by 2. Capital employed is calculated as sum of adjusted net worth and Long-Term Borrowings.*

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated July 04, 2025.

7. Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

The KPIs disclosed below have been used historically by the Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for Issue Price have been disclosed below. The KPIs set forth above have been approved by the Audit Committee pursuant to its resolution dated July 04, 2025.

The list of the KPIs along with brief explanation of the relevance of the KPIs for the business operations of the Company are set forth below:

Sr No.	KPIs	Explanation
1.	Revenue from Operations	Revenue from operation provided information regarding growth of our business operations over the period
2.	Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	EBITDA provides information regarding operational profitability and the financial performance of the business.
3.	EBITDA Margins (%)	EBITDA margin provides the financial benchmarking against peers as well as to compare against the historical performance of our business.
4.	Profit after Tax (PAT)	PAT provides information regarding the overall Profitability of our business.
5.	PAT Margins (%)	PAT margin is an indicator of the overall profitability of our business and provides the financial benchmarking against peer as well as to compare against the historical performance of our business.
6.	Cash Profit after Tax	Cash Profit after Tax is an indicator which denotes profit generated from our business operations during the period before adjusting the non-cash items
7.	Current Ratio	Current ratio is an indicator of short-term solvency i.e., company's ability to pay short-term obligations or those due within one year.
8.	Debt-Equity Ratio	Debt Equity Ratio is an indicator of overall leverage of our Company
9.	Return on Equity (%)	RoE provides how efficiently the Company generates profits from average shareholders' funds.
10.	Return on Capital Employed (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in our business.

8. Comparison of accounting ratios with Industry Peers

There are no listed companies whose business operations are similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

9. Comparison of KPIs with listed industry peers

There are no listed companies whose business operations are similar to that of our Company or are of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

10. Comparison of Key Performance Indicators over time shall be explained based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the fiscals 2025, 2024, and 2023. For further details see "*History and Certain Corporate Matters*" on page 217.

11. Weighted Average Cost of Acquisition, Floor Price and Cap Price

a. Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under Employee Stock Option Plan and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

The details of the Equity Shares or convertible securities, excluding issuance of bonus shares, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Issuance"**) are as follows:

Date of allotment	No. of shares transacted	Face Value (in ₹)	Issue price per share	Nature of allotment	Nature of consideration	Total consideration (in ₹ lakhs)
December 27, 2024	7,59,572	10	111.78	Private Placement	Cash	849.05
Total	**7,59,572**	**-**	**-**	**-**	**-**	**849.05**
Weighted Average Cost of Acquisition [Total Consideration/Total Number of Shares Transacted]*						**67.75***

**Adjusted for bonus shares issued in the ratio of 13:20 on January 13, 2025.*

Except as stated above, it is confirmed that there are no primary/new issue of shares, equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated on the pre-issue capital on the date of allotment) in the 18 months prior to the date of this Prospectus.

b. Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving the Promoters, members of the Promoter Group, the Selling Shareholder or other Shareholders of the Company with rights to nominate directors during the 18 months preceding the date of filing of the Prospectus, where the 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 ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

The Details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days are disclosed below:

Date of Allotment / Acquisition	Number of Equity Shares Allotted/ Transacted	Face value per Equity Share (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of allotment	Nature of Consideration	Total Consideration (₹ in Lakhs)
June 12, 2024	1,32,233	10.00	20.00	Transfer from Nileshbhai Bhagvanjibhai Kanani to Jay Dilipbhai Kagathara	Cash	26.45
June 12, 2024	2,00,000	10.00	10.00	Transfer from Maganlal Thakarshibhai Sitapara to Jay Dilipbhai Kagathara	Cash	20.00
June 12, 2024	97,100	10.00	20.00	Transfer from Dimpalben Vrujlal Kaneriya to Jay Dilipbhai Kagathara	Cash	19.42
June 12, 2024	33,000	10.00	20.00	Transfer from Jaykumar Nayanbhai Delvadiya to Jay Dilipbhai Kagathara	Cash	6.60
June 12, 2024	60,000	10.00	20.00	Transfer from Renish Vrujlal Kaneriya to Jay Dilipbhai Kagathara	Cash	12.00
June 12, 2024	1,35,000	10.00	20.00	Transfer from Vrajlal Chhaganlal Kaneriya to Jay Dilipbhai Kagathara	Cash	27.00
June 12, 2024	70,000	10.00	20.00	Transfer from Chetanbhai Thobhanbhai Kanani to Jay Dilipbhai Kagathara	Cash	14.00
June 12, 2024	1,00,000	10.00	20.00	Transfer from Bhagvanji Harjibhai Kanani to Jay Dilipbhai Kagathara	Cash	20.00
June 12, 2024	41,300	10.00	20.00	Transfer from Rimpalbhai Bhagvanjibhai Kanani to Jay Dilipbhai Kagathara	Cash	8.26
June 12, 2024	1,00,000	10.00	20.00	Transfer from Suryarajsinh Mahendrasinh Jadeja to Jay Dilipbhai Kagathara	Cash	20.00
June 12, 2024	1,85,009	10.00	20.00	Transfer from Abhaykumar Narshibhai Fadadu to Jay Dilipbhai Kagathara	Cash	37.00
June 12, 2024	50,450	10.00	20.00	Transfer from Dipakbhai Damjibhai Bhalodiya to Kishan Dilipbhai Kagathara	Cash	10.09

Date of Allotment / Acquisition	Number of Equity Shares Allotted/ Transacted	Face value per Equity Share (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of allotment	Nature of Consideration	Total Consideration (₹ in Lakhs)
June 12, 2024	40,000	10.00	20.00	Transfer from Hansrajbhai Karamshibhai Kagathara to Kishan Dilipbhai Kagathara	Cash	8.00
June 12, 2024	90,014	10.00	20.00	Transfer from Pinalben Yashpalsinh Dasondi to Kishan Dilipbhai Kagathara	Cash	18.00
Total	**13,34,106**	**-**	**-**	**-**	**-**	**246.82**
Weighted Average cost of acquisition (Total Consideration/Total number of shares transacted)						**11.21***

**Adjusted for issue of bonus in the ratio of 13:20*

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

Since there are transactions to report to under (a) and (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of the Company, are a party to the transaction) not older than 3 years prior to the date of the Prospectus irrespective of the size of transactions is not required to disclosed.

d. Weighted average cost of acquisition, Floor Price and Cap Price:

Type of transaction	WACA (in ₹)	Floor Price (₹ 90)	Cap Price (₹ 96)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued 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 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.	67.75	1.33	1.42
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 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.	11.21	8.03	8.56
Since there are transactions to report in (A) or (B) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where promoter/promoter group entities or selling shareholder or shareholder(s) having right to nominate director(s) in the Board of the Company, are a party to the transaction) not older than 3 years prior to the date of Prospectus irrespective of the size			

Type of transaction	WACA (in ₹)	Floor Price (₹ 90)	Cap Price (₹ 96)
of transactions is not required to disclosed			
Last 5 primary transactions	N.A.	N.A.	N.A.
Last 5 secondary transactions	N.A.	N.A.	N.A.

12. Justification for Basis of Issue price

1. The following provides an explanation for the Issue Price/Cap Price being 1.42 times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Prospectus compared to our Company's KPIs and financial ratios for Fiscal 2025, 2024, and 2023.

    1. We are engaged in the business of manufacturing of polypropylene spunbond nonwoven fabrics primarily used in industries such as hygiene, healthcare, packaging, agriculture and others (including roofing & construction, industrial and home furnishing). We are one of the largest manufacturers in spunbond nonwoven fabric industry in India, with an installed production capacity of 32,640 MT as of FY24 (*Source: CareEdge Report*).

    2. Our management team has achieved consistent business growth and financial performance which led to growth of our total revenue from operation from ₹11,591.82 lakhs in Fiscal 2023 to ₹22,635.03 lakhs in Fiscal 2025 representing CAGR of 39.74%. Our EBIDTA has grown from ₹1,080.16 lakhs in Fiscal 2023 to ₹3,122.59 lakhs in Fiscal 2025 registering a CAGR of 70.03%. Further, our PAT has grown from ₹112.68 lakhs in Fiscal 2023 to ₹1,079.22 lakhs in Fiscal 2025, registering a CAGR of 209.48%.

    3. We have established long-standing relationships with our customers over the year by delivering quality and customized products as per their requirements. In the last three financial years, in domestic market, we have catered to more than 400, 450, and 485 customers during Fiscal 2023, Fiscal 2024 and Fiscal 2025, respectively. In the international market, we have catered to more than 15, 20, and 20 customers during Fiscal 2023, Fiscal 2024 and Fiscal 2025, respectively.

    4. We are using SS and SSS advanced spunbond technology along with cleanroom technology for manufacturing process to deliver quality products to our customers and enhance the reliability of our products.

    5. We provide tailored spunbond nonwoven fabric manufacturing solutions for industry specific needs.

    6. We have invested in a wide range of advanced machines, enabling us to efficiently cater to various customer requirements. Our manufacturing facilities are equipped with five production lines, each dedicated to manufacture products for specific industries which ensure consistent, efficient output and seamless integration across all stages of the production process.

    7. Our management team is experienced in PP spunbond nonwoven fabric industry and has been responsible for the growth of our business and operations. Our Chairman and Managing Director, Jay Dilipbhai Kagathara**,** also one of our Promoters has experienced over nine years and Whole-Time Director, Kishan Dilipbhai Kagathara, has experienced over six years in PP spunbond nonwoven fabric industry. Our Chief Financial Officer, Abhaykumar Narshibhai Fadadu, has an experienced over nine years in PP spunbond nonwoven fabric industry.

The Price Band of ₹ 90– 96 and issue price of ₹ 96 per equity shares was determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*" and "*Restated Financial Information*" on pages 32, 185 and 242, respectively of this Prospectus, to have a more informed view.