



## SUMEET INDUSTRIES LIMITED

Our Company was initially established as "Sumeet Synthetics Private Limited" under the Companies Act, 1956, and received its Certificate of Incorporation from the Registrar of Companies, Gujarat, on August 01, 1988. Following its conversion to a public limited company, the name was changed to "Sumeet Synthetics Limited," with a fresh Certificate of Incorporation issued by the Registrar of Companies, Gujarat, on February 26, 1992. Subsequently, the name of the Company was changed to its name to "Sumeet Industries Limited," vide a fresh Certificate of Incorporation dated September 1, 1996, issued by the Registrar of Companies, Gujarat. The Company has come out with Initial Public Offering in 1993, listing its equity shares on the Bombay Stock Exchange ("BSE") and the Baroda Stock Exchange. The shares were later delisted from the Baroda Stock Exchange effective January 09, 2007. The Company was further listed on the National Stock Exchange of India Limited ("NSE") on December 10, 2010. As of now, the shares of the Company on both the BSE and the NSE. For further details please see 'Summary of the Draft Letter of Offer' on page no. 18 of this Draft Letter of Offer.

**Corporate Identification Number:** L45200GJ1988PLC011049

**Registered Office:** 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat

**Contact No.:** 0261 2328902 | **Email id:** [corporate@sumeetindustries.com](mailto:corporate@sumeetindustries.com) | **Website:** [www.sumeetindustries.com](http://www.sumeetindustries.com);

**Contact Person:** Anil Kumar Sumermal Jain, Company Secretary and Compliance Officer

**PROMOTERS OF OUR COMPANY:** RADHESHYAM BHAWARLAL JAJU & PRATIK RAJESH JAJU

*Note: Pursuant to the Hon'ble National Company Law Tribunal's order dated July 16, 2024, the erstwhile promoters of the Company (namely the Somani family) have ceased to be promoters and are no longer part of the Promoters or Promoter Group following the takeover by new promoters. In relation to this matter, the Company filed an application with the stock exchanges and received approval for the reclassification of the erstwhile promoters and promoter group on January 28, 2026, from both exchanges.*

### FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF SUMEET INDUSTRIES LIMITED

**RIGHTS ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH OF OUR COMPANY ("RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] (RUPEES [●] ONLY) EACH INCLUDING A SHARE PREMIUM OF ₹ [●] (RUPEES [●] ONLY) PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO AN AMOUNT OF UP TO ₹ 19,987.22 LAKHS\* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], [●] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' ON PAGE NO. 88 OF THIS DRAFT LETTER OF OFFER (THE "DLOF").**

\*Assuming full subscription

### PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

| AMOUNT PAYABLE PER RIGHTS EQUITY SHARE | FACE VALUE (₹) | PREMIUM (₹) | TOTAL (₹)  |
|--|----------------|-------------|------------|
| On Application                         | 2.00           | [●]         | [●]        |
| <b>Total</b>                           | <b>2.00</b>    | <b>[●]</b>  | <b>[●]</b> |

### WILFUL DEFAULTERS AND/ OR FRAUDULENT BORROWERS

As of the date hereof, neither the Company nor its existing Promoters or directors have been classified as a Wilful Defaulter or Fraudulent Borrower by any bank, financial institution (as defined under the Companies Act, 2013), or consortium thereof, in compliance with the relevant Reserve Bank of India guidelines.

### GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk with such investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this offering. For taking an investment decision, investors shall rely on their own examination of the issuer and the offer including the risks involved. The Right Equity Shares being offered in this issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Investors are advised to refer section titled 'Risk Factors' on page no. 26 of this Draft Letter of Offer before investing in the issue.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company has made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer 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 Letter of Offer 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 Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with the BSE, "Stock Exchanges". Our Company has received the "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through letters dated [●] and [●], respectively. Our Company will also make applications to the Stock Exchanges to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of this Issue, the Designated Stock Exchange is BSE.

### REGISTRAR TO THE ISSUE



#### BIGSHARE SERVICES PRIVATE LIMITED

**Address:** Office No: S6-2, Pinnacle Business Park, 6th, Mahakali Caves Rd, next to Ahura Centre, Shanti Nagar, Andheri East, Mumbai, Maharashtra - 400093

**Contact No.:** 022- 62638200

**Email id:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com) | **Investor Grievance Email id:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com) | **Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Suraj Gupta

**SEBI Registration No.:** INR000001385

**CIN:** U99999MH1994PTC076534

### ISSUE PROGRAMME

|   |     |
|---|-----|
| LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS                   | [●] |
| ISSUE OPENING DATE  | [●] |
| LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS * | [●] |
| ISSUE CLOSING DATE**  | [●] |
| FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)              | [●] |
| DATE OF ALLOTMENT (ON OR ABOUT)                               | [●] |
| DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)          | [●] |
| DATE OF LISTING (ON OR ABOUT)                                 | [●] |

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

\*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*In this Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.*

*In this Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the Company’, ‘we’, ‘our’, ‘Our Company’, ‘us’ or similar terms are to Sumeet Industries Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Rights Issue of Equity Shares.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘Statement of Tax Benefits’, ‘Financial Information’, and ‘Terms of the Issue’ on page no. 70, 76, and 88 respectively, shall have the meaning given to such terms in such sections.*

#### GENERAL / COMPANY RELATED TERMS

| Term   | Description   |
|--|---|
| “Sumeet”, “the Company”, “our Company”, “Issuer” and “Sumeet Industries Limited” | Sumeet Industries Limited, a Company incorporated in India under the Companies Act, 1956 having its Registered Office at 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat. |
| We/ us/ our / our Company  | Unless the context otherwise indicates or implies, refers to Sumeet Industries Limited together.  |

| Term  | Description  |
|---|--|
| AoA/ Articles of Association                      | The Articles of Association of Sumeet Industries Limited, as amended from time to time;  |
| Audit Committee                                   | The committee of the Board of Directors constituted as our Company’s audit committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations;   |
| Audited Financial Statements                      | The Audited Financial Statements of our Company for the Financial Year ending March 31, 2025, 2024, and 2023, which comprises of the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows, notes to the financial statements, including a summary of significant accounting policies and other explanatory information. |
| Auditors/ Statutory Auditors/ Peer Review Auditor | The statutory auditor of our Company, being, M/s. HTKS & Co., Chartered Accountants  |
| Board of Directors/ Board                         | The Board of Directors of Sumeet Industries Limited, including all duly constituted Committees thereof;  |
| Companies Act                                     | The Companies Act, 2013 and rules issued thereunder, as amended;   |
| Company Secretary and Compliance Officer          | The Company Secretary and Compliance Officer of our Company, being Anil Kumar Sumermal Jain;   |

| Term                                     | Description   |
|--|---|
| Chief Financial Officer/ CFO             | The Chief Financial Officer of our Company, being Abhishek Mahendra Prasad;   |
| Directors                                | The director(s) on the Board of our Company, unless otherwise specified;  |
| Eligible Shareholder(s)                  | Eligible holder(s) of the Equity Shares of Sumeet Industries Limited as on the Record Date;   |
| Equity Shares                            | Equity Share of the Company having Face Value of ₹ 2/- (Rupees Two Only), unless otherwise specified;   |
| Financial Information                    | Collectively Unaudited and Audited Financial Statements;  |
| Independent Director                     | Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' <b>Our Management</b> ' on page no. 71;  |
| ISIN                                     | International Securities Identification Number being INE235C01036;  |
| Key Management Personnel/ KMP            | Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' <b>Our Management</b> ' on page no. 71;  |
| MoA/ Memorandum of Association           | The Memorandum of Association of Sumeet Industries Limited, as amended from time to time;   |
| Nomination and Remuneration Committee    | The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations;  |
| Non - Executive Director                 | A Director, not being an Executive Director of our Company;   |
| Preference Shares                        | 2,80,00,000 Optionally Convertible Redeemable Preference Shares of face value ₹10 each.   |
| Promoters                                | Radheshyam Bhawarlal Jaju & Pratik Rajesh Jaju are the Promoters of the Company.<br><i>Note: Pursuant to the Hon'ble National Company Law Tribunal's order dated July 16, 2024, the erstwhile promoters of the Company (namely the Somani family) have ceased to be promoters and are no longer part of the Promoters or Promoter Group following the takeover by new promoters. In relation to this matter, the Company filed an application with the stock exchanges and received approval for the reclassification of the erstwhile promoters and promoter group on January 28, 2026, from both exchanges.</i> |
| Promoter Group                           | Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed by our Company to the Stock Exchanges from time to time  |
| Registered Office                        | The Registered office of our Company is situated at 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat.  |
| Registrar of Companies/ RoC              | Registrar of Companies, Gujarat, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat;  |
| Shareholders                             | The equity shareholders of our Company, from time to time, unless otherwise specified in the context thereof;   |
| Subsidiary Company                       | Sumeet Global Pte Limited   |
| Stakeholders' Relationship Committee     | The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI LODR Regulations 2015.  |
| Unaudited Consolidated Financial Results | The consolidated unaudited financial results of our Company and its Subsidiaries, as at and for the six months period ended September 30, 2025 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI Listing Regulations.  |

## GENERAL ISSUE RELATED TERMS

| Term  | Description  |
|---|--|
| Additional Rights Equity Shares                 | The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement;   |
| Allot/ Allotment/ Allotted                      | Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue;   |
| Allotment Account                               | The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act;   |
| Allotment Advice                                | The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to this Issue;   |
| Allotment Date                                  | Date on which the Allotment is made pursuant to this Issue;  |
| Allottee(s)                                     | Persons to whom Rights Equity Shares are issued pursuant to the Issue;   |
| Applicant(s)/ Investor(s)                       | Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Draft Letter of Offer/Letter of Offer, including an ASBA Investor;  |
| Application                                     | Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price;   |
| Application Form/ Common Application Form (CAF) | Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;   |
| Application Money                               | Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;   |
| Application Supported by Blocked amount or ASBA | Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;  |
| ASBA Account                                    | A bank account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;  |
| ASBA Applicant /ASBA Investor                   | As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for an Issue only through ASBA facility;  |
| ASBA Bid  | Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;   |
| ASBA Circulars                                  | Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020';   |
| Bankers to the Issue/ Refund Bank               | Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case is Axis Bank Limited;  |
| Bankers to the Issue Agreement                  | Agreement dated March 10, 2026 entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from applicants / Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement |

| Term   | Description  |
|--|--|
| Basis of Allotment                                       | The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and is described in the section titled ' <i>Terms of the Issue</i> ' on page no. 88;   |
| Controlling Branches / Controlling Branches of the SCSBs | Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;  |
| Demographic Details                                      | Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;   |
| Designated SCSB Branches                                 | Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;  |
| Designated Stock Exchange                                | BSE Limited  |
| Depository(ies)  | NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;   |
| Draft Letter of Offer/ DLoF                              | This Draft Letter of Offer dated March 17, 2026, filed with the stock exchanges in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;  |
| Eligible Equity Shareholders                             | Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders;  |
| Escrow Account(s)  | One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;  |
| Escrow Collection Bank                                   | Banks which are clearing members and registered with SEBI as bankers to an Issue and with whom Escrow Account(s) will be opened, in this case being Axis Bank Limited;   |
| Issue/ Rights Issue                                      | Rights Issue of up to [●] Fully Paid-Up Equity Shares of Face Value of ₹ 2/- each of our Company for cash at a price of ₹ [●] (Rupees [●] Only) each including a share premium of ₹ [●] per rights Equity Share, aggregating to an amount of up to ₹ 19,987.22/- Lakhs on a rights basis to the eligible equity shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] fully paid up Equity Shares held by the eligible equity shareholders on the Record Date i.e. [●]. |
| Issue Closing Date                                       | [●]  |
| Issue Opening Date                                       | [●]  |
| Issue Material   | Collectively, the Draft Letter of Offer or Letter of Offer, the Common Application Form (CAF) or Application Form and Rights Entitlement Letter;   |
| Issue Period   | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;  |
| Issue Price  | ₹ [●]/- ([●]) per Rights Equity Share;   |
| Issue Proceeds   | The proceeds of the Issue that are available to our Company;   |
| Issue Size   | Amount aggregating up to ₹ 19,987.22/- Lakhs ( <i>Assuming full subscription</i> )   |
| Letter of Offer/ LoF                                     | The Letter of Offer dated [●], filed with the BSE & NSE after incorporating the observations received from the Stock Exchange on the Draft Letter of Offer;  |
| Multiple Application Forms                               | Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further  |

| Term  | Description  |
|---|--|
|   | Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;   |
| Monitoring Agency                                 | Crisil Ratings Limited   |
| Net Proceeds                                      | Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' on page no. 61;  |
| Non-ASBA Investor/<br>Non-ASBA Applicant          | Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees;   |
| Non-Institutional<br>Investors/ NIIs              | An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;  |
| Offer Documents                                   | The Draft Letter of Offer, Letter of Offer including any notices, corrigendum thereto;   |
| Off Market<br>Renunciation                        | The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;  |
| On Market Renunciation                            | The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●];  |
| QIBs or Qualified<br>Institutional Buyers         | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;  |
| Record Date                                       | Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●], [●];   |
| Refund through<br>electronic transfer of<br>Funds | Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;  |
| Registrar to the<br>Issue/Registrar/RTA           | Bigshare Services Private Limited  |
| Registrar Agreement                               | Agreement dated February 27, 2026 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;   |
| Renounees   | Any person(s) who, not being the original recipient has/have acquired the Rights Entitlements from the Equity Shareholders through renunciation in accordance with the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars;  |
| Renunciation Period                               | The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date i.e. [●];   |
| Retail Individual<br>Investors/ RIIs              | An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 2,00,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI (ICDR) Regulations;  |
| Rights Entitlement (s)/<br>REs                    | <p>The number of Rights Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder;</p> <p>The Rights Entitlements with a separate ISIN [●] will be credited to your demat account before the date of opening of the Issue against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions</p> |

| Term                                    | Description   |
|---|---|
|   | of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;   |
| Rights Entitlement Letter               | Letter including details of Rights Entitlements of the Eligible Shareholders;   |
| Rights Equity Shares                    | Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment;  |
| SEBI Rights Issue Circulars             | Collectively, SEBI circulars bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', 'SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020', 'SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020', 'SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020' 'SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021' and 'SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022';   |
| Self-Certified Syndicate Banks/ SCSB(s) | The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time; |
| Transfer Date                           | The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;  |
| Wilful Defaulter                        | A Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of SEBI (ICDR) Regulations and in accordance with the guidelines on wilful defaulters or a fraudulent borrowers issued by the RBI, including any Company whose director or promoter is categorized as such;   |
| Working Day(s)                          | In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Gujarat are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Gujarat are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI;  |

## BUSINESS AND INDUSTRY RELATED TERMS

| Term  | Description                                     |
|-------|---|
| AI    | Artificial Intelligence                         |
| ACRA  | Accounting and Corporate Regulatory Authority   |
| BSE   | Bombay Stock Exchange                           |
| CAGR  | Compound Annual Growth Rate                     |
| CoC   | Committee of Creditors                          |
| FDY   | Fully Drawn Yarn                                |
| GETCO | Gujarat Energy Transmission Corporation Limited |
| PET   | Polyethylene Terephthalate                      |
| IPO   | Initial Public Offering                         |
| MW    | Megawatt  |

| Term  | Description                              |
|-------|--|
| NSE   | National Stock Exchange of India Limited |
| NCLT  | National Company Law Tribunal            |
| PET   | Polyethylene Terephthalate               |
| PFY   | Polyester Filament Yarn                  |
| PPMFY | Polypropylene Multifilament Yarn         |
| TFO   | Twisting, Folding, and Overlapping       |
| TPA   | Tons Per Annum                           |

| Term         | Description               |
|--------------|---------------------------|
| One Billion  | Ten Thousand Lakhs;       |
| One Million  | Ten Lakhs;                |
| One Trillion | One Crore Lakhs;          |
| Sq. Ft.      | Square Foot;              |
| USA          | United States of America; |
| USD          | United States Dollar;     |
| WEO          | World Economic Outlook;   |

## ABBREVIATIONS

| Term                | Description  |
|---------------------|--|
| AGM                 | Annual General Meeting;  |
| AIF                 | Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;             |
| AS                  | Accounting Standards issued by the Institute of Chartered Accountants of India;  |
| AY                  | Assessment Year;   |
| CAF                 | Common Application Form;   |
| CDSL                | Central Depository Services (India) Limited;   |
| CFO                 | Chief Financial Officer;   |
| CIN                 | Corporate Identification Number;   |
| CIT                 | Commissioner of Income Tax;  |
| CLRA                | Contract Labour (Regulation and Abolition) Act, 1970;  |
| Companies Act, 1956 | Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);    |
| Companies Act, 2013 | Companies Act, 2013 along with rules made thereunder;  |
| Covid-19            | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020;                         |
| CSR                 | Corporate Social Responsibility;   |
| CIRP                | Corporate Insolvency Resolution Process  |
| Depositories Act    | The Depositories Act, 1996;  |
| Depository          | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;   |
| DIN                 | Director Identification Number;  |
| DP                  | Depository Participant;  |
| DP-ID               | Depository Participant's Identification;   |
| DR                  | Depository Receipts;   |
| EBITDA              | Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss; |
| EGM                 | Extraordinary General Meeting;   |
| EPS                 | Earning per Equity Share;  |
| FCNR Account        | Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA;  |
| FDI                 | Foreign Direct Investment;   |

| Term                        | Description   |
|-----------------------------|---|
| FEMA                        | Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;  |
| FEMA Rules                  | Foreign Exchange Management (Non-debt Instruments) Rules, 2019;   |
| FII(s)                      | Foreign Institutional Investors registered with SEBI under applicable laws;   |
| FIPB                        | Foreign Investment Promotion Board;   |
| FPIs                        | A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations; |
| Fugitive Economic Offender  | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;   |
| FVCI                        | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;   |
| FY                          | Period of 12 months ended March 31 of that particular year, unless otherwise stated;  |
| GAAP                        | Generally Accepted Accounting Principles;   |
| GDP                         | Gross Domestic Product;   |
| GoI / Government            | The Government of India;  |
| GST                         | Goods and Services Tax;   |
| HUF                         | Hindu Undivided Family;   |
| ICAI                        | The Institute of Chartered Accountants of India;  |
| ICSI                        | The Institute of Company Secretaries of India;  |
| IFRS                        | International Financial Reporting Standards;  |
| Income Tax Act/ IT Act      | The Income Tax Act, 1961 and amendments thereto;  |
| Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;  |
| Insolvency Code             | Insolvency and Bankruptcy Code, 2016, as amended;   |
| IT                          | Information Technology;   |
| MCA                         | The Ministry of Corporate Affairs, GoI;   |
| MN / Mn                     | Million;  |
| Mutual Funds                | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;  |
| N.A. or NA                  | Not Applicable;   |
| NAV                         | Net Asset Value;  |
| NEFT                        | National Electronic Fund Transfer;  |
| Notified Sections           | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;   |
| NR/ Non-Resident            | A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;   |
| NRE                         | Non-Resident External Account;  |
| NRI                         | Non-Resident Indian;  |
| NSDL                        | National Securities Depository Limited;   |
| OCB                         | Overseas Corporate Body;  |
| P.A.                        | Per Annum;  |
| P/E Ratio                   | Price/Earnings Ratio;   |
| PAN                         | Permanent Account Number;   |
| PAT                         | Profit After Tax;   |
| RBI                         | Reserve Bank of India;  |
| RBI Act                     | Reserve Bank of India Act, 1934;  |
| RoNW                        | Return on Net Worth;  |
| Rs. /₹ /Rupees /INR         | Indian Rupees, the official currency of the Republic of India;  |
| SCORES                      | SEBI Complaints Redress System;   |
| SCRA                        | Securities Contracts (Regulation) Act, 1956;  |
| SCRR                        | Securities Contracts (Regulation) Rules, 1957;  |
| SEBI                        | Securities and Exchange Board of India;   |

| <b>Term</b>             | <b>Description</b>  |
|-------------------------|---|
| SEBI (ICDR) Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;   |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;   |
| SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;  |
| SEBI Act                | Securities and Exchange Board of India Act, 1992;   |
| SEBI AIF Regulations    | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;  |
| SEBI FPI Regulations    | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;   |
| Securities Act          | United States Securities Act of 1933, as amended;   |
| STT                     | Securities Transaction Tax;   |
| TDS                     | Tax deducted at source;   |
| Trademark Act           | Trademarks Act, 1999 and the rules thereunder, including subsequent amendments thereto;   |
| VCF                     | Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be; |
| W.E.F                   | With Effect From  |

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## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email and physical dispatch through registered post/speed post/courier the Draft Letter Of Offer, Letter of Offer, Application Form and Rights Entitlement Letter (“Offer Document” / “Issue Material”) only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and registered post/speed post/courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, Letter of Offer, and the Application Form from the websites of the Registrar, our Company, SEBI, and the Stock Exchanges.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with BSE Limited and National Stock Exchange of India Limited for observations. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Material must be treated as sent for information purpose only and should not be acted upon for subscription to Rights Entitlement and Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Material should not, in connection with this Issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the Rights to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company’s affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer.

Neither the delivery of this Draft Letter of Offer, Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer, Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES**

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**REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.****NO OFFER IN THE UNITED STATES**

The Rights Entitlement and the Rights Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended (*the "US Securities Act"*), or any U.S. State Securities Laws and may not be offered, sold, resold, or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Rights Equity Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted, and agreed, that:

1. It is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
2. It does not have a registered address (and is not otherwise located) in the United States,
3. It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
4. Our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and
5. Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

**Our Company reserves the rights to treat as invalid any Application form which:**

1. Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations.
2. Appears to our Company or its agents to have been executed in or dispatched from the United States.
3. Where a registered Indian address is not provided; or
4. Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (*the "US SEC"*), any state securities commission in the United States or any other U.S regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer, Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

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## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND USE OF CURRENCY OF PRESENTATION

### CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Draft Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references here into the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

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

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our “Company”, “we”, “our”, “us” or similar terms are to Sumeet Industries Limited or, as the context requires, and references to “you” are to the Equity Shareholders and/ or prospective Investors in the Equity Shares.

### FINANCIAL DATA

Unless stated otherwise, or unless the context requires otherwise, the financial data in this Draft Letter of Offer is derived from the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results. Our Company prepares its Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results in accordance with Ind AS, Companies Act, 2013 and other applicable statutory and/or regulatory requirements. Our Company publishes its Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

Our Company’s Financial Year commences on April 1 of each calendar year and ends on March 31 of the following calendar year. Unless otherwise stated, references in this Draft Letter of Offer to a particular ‘Financial Year’ or ‘Fiscal Year’ or ‘Fiscal’ are to the financial year ended March 31 of that year. For details of the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results, see “**Financial Information**” on page no. 76.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. All figures in decimals have been rounded off to the second decimal, and all the percentage figures have been rounded off to two decimal places.

### CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to “Rupees”, “Rs.”, “₹”, “Indian Rupees” and “INR” are to Rupees, the official currency of the Republic of India.

All references to “U.S. \$”, “U.S. Dollar”, “USD” or “\$” are to United States Dollars, the official currency of the United States of America.

**Please Note:**

One million is equal to 1,000,000/10 lakhs;

One billion is equal to 1,000 million/100 crores;

One lakh is equal to 100 thousand;

One crore is equal to 10 million/100 lakhs;

**INDUSTRY AND MARKET DATA**

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled **'Risk Factors'** on page no. 26. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

***Exchange Rates***

This Draft Letter of Offer may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies.

| Currency | As of September 30, 2025 | March 31 2025 | March 28, 2024 | March 31, 2023 |
|----------|--------------------------|---------------|----------------|----------------|
| 1 USD    | 88.79                    | 85.58         | 83.79          | 82.23          |

Note: Exchange rate is rounded off to two decimal places.

Source: [www.fbil.org.in](http://www.fbil.org.in)

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## FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘expected to’, ‘future’, ‘intend’, ‘is likely’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘will continue’, ‘would’, or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with the promoter(s), promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘**Risk Factors**’ on page no. 26. By their nature, certain market risk disclosures are only estimates and could materially be different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and Stock Exchanges requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled '*Risk Factors*' and '*Objects of the Issue*' on page no. 26 and 61 respectively.

### SUMMARY OF INDUSTRY

#### Textile Market

The global textile market is valued at approximately USD 760.28 billion in 2025 and is projected to grow to USD 974.38 billion by 2030, at a CAGR of around 5.09%. This growth is driven by increasing demand for natural and sustainable fibers, eco-friendly practices, government investments, expansion of e-commerce in apparel, and applications spanning fashion, technical textiles, and industrial uses. The Asia-Pacific region leads the market with a 54% share, supported by abundant raw materials, low labour costs, and major players like China and India. North America experiences growth from premium and military-grade textile demand, while Europe emphasizes sustainability. Challenges such as rising production costs, fluctuating raw material prices, labour expenses, and environmental pressures persist, but advances in smart textiles, 3D knitting, and eco-friendly methods provide competitive advantages.<sup>1</sup>

The Indian textile and apparel sector, valued at USD 222.08 billion in 2024, is forecasted to reach USD 646.96 billion by 2033, with a robust CAGR of 11.98%. This growth is propelled by increasing e-commerce penetration, demand for sustainable fabrics, and supportive government initiatives like the "Make in India" campaign. India is strengthening its position as a global leader in yarn production, weaving, and textile exports, driven by its manufacturing capabilities and rising consumer demand.<sup>2</sup> Key trends influencing the market include the rising preference for sustainable and ethical materials, rapid technological advancements such as automation and AI-driven production, and the growing importance of digital sales channels. Although cost pressures and environmental concerns present hurdles, the textile industry continues to innovate with eco-friendly fibres and smart textile technologies to maintain steady growth and sustainability focus.<sup>3</sup>

The combination of Asia-Pacific dominance, strong Indian sector growth, technological innovation, and shifting consumer preferences underpins the global textile market's dynamic and competitive landscape in the mid-2020s to 2030s. This balance highlights steady expansion despite challenges in production costs and environmental sustainability.<sup>4</sup>

### SUMMARY OF OUR BUSINESS

Our Company was initially established as "Sumeet Synthetics Private Limited" under the Companies Act, 1956, and received its Certificate of Incorporation from the Registrar of Companies, Gujarat, on August 01, 1988. Following its conversion to a public limited company, the name was changed to "Sumeet Synthetics Limited," with a fresh Certificate of Incorporation issued by the Registrar of Companies, Gujarat, on February 26, 1992. Subsequently, the name of the Company was changed to its name to "Sumeet Industries Limited," vide a fresh Certificate of Incorporation dated September 1, 1996, issued by the Registrar of Companies, Gujarat. The Company has come out with Initial Public Offering in 1993, listing its Equity Shares on the Bombay Stock Exchange and the Baroda Stock Exchange. The shares were later delisted from the Baroda Stock Exchange effective January 09, 2007. The Company was further listed on the National Stock Exchange of India Limited on December 10, 2010.

Initially focused on manufacturing and exporting synthetic yarn, the company established its first manufacturing facility for Polypropylene Multifilament Yarn ("PPMFY") in 1993. Over the years, the Company expanded its PPMFY capacity by approximately 2.6 times in 1997–98 to meet growing demand. In 2004, as part of a backward integration strategy, it set up a Polyester Filament Yarn ("PFY") manufacturing facility with an annual capacity of 12,000 tons, using state-of-the-art technology from Barmag, Germany. As part of our commitment to sustainable growth, we also installed a coal-based captive power plant in 2004,

<sup>1</sup> Sources: <https://www.expertmarketresearch.com/reports/textile-market> and <https://www.mordorintelligence.com/industry-reports/global-textile-industry---growth-trends-and-forecast-2019---2024>

<sup>2</sup> Source: <https://www.imarogroup.com/report/en/indian-textiles-apparel-market> and <https://www.mordorintelligence.com/industry-reports/global-textile-industry---growth-trends-and-forecast-2019---2024>

<sup>3</sup> Source: <https://www.mordorintelligence.com/industry-reports/global-textile-industry---growth-trends-and-forecast-2019---2024> and <https://www.expertmarketresearch.com/reports/textile-market>

<sup>4</sup> Source: <https://www.mordorintelligence.com/industry-reports/global-textile-industry---growth-trends-and-forecast-2019---2024> and <https://www.expertmarketresearch.com/reports/textile-market>

which was later converted to a gas-based plant to address environmental concerns and rising coal costs. In 2005, we expanded our product offerings by setting up a weaving division equipped with high-speed Waterjet Looms imported from Tsudakoma, Japan, with a capacity to produce 3.5 million metres of woven fabric annually.

Diversifying further, we established a Menthol Distilling & Crystallizing plant in 2006, with an annual capacity of 900 metric tons of peppermint oil and 300 metric tons of menthol crystals. This step enabled us to enter the production of value-added products, and the Indian government recognized us as a Star Export House.

The Company was established with the primary objective of manufacturing and exporting synthetic yarn. In 1993, we established our first manufacturing facility for the production of Polypropylene Multifilament Yarn. During 1997–98, we expanded our PPMFY installed capacity by approximately 2.6 times to cater to the growing demand for its products.

Over the years, we have continuously invested in modernizing our operations. In 2009, we commissioned a 100,000 Tons Per Annum (“TPA”) Continuous Polymerization Plant and a 6 MW gas-based Captive Power Plant. In 2010, we expanded our production with the commissioning of a 23,500 TPA Polyester Filament Yarn Plant and a 21,000 TPA Fully Drawn Yarn (“FDY”) Plant. By 2012, we doubled our spinning capacity to 1,00,000 TPA and added an 8.6 MW captive genset power plant. Our focus on sustainability continued in 2013 when we commissioned a 5,400 TPA waste recycling plant, and we further upgraded our FDY production capacity to 51,450 TPA. Building on this momentum, the 1,00,000 TPA Continuous Polymerization Plant enabled the production of high-quality PET Chips, a critical raw material for our polyester yarn lines. This backward integration solidified our position as a leading integrated polyester manufacturer, with PET Chips output exceeding 1,00,000 tons annually. In the past, this capacity supported exports to over 20 global markets across Asia, Latin America, the Middle East, and Africa, including Italy, Argentina, Vietnam, Indonesia, Bangladesh, Mexico, Greece, Algeria, Kenya, Colombia, Peru, Egypt, Brazil, and Turkey.

In 2014, we enhanced our ability to produce texturized yarns with the addition of four new texturizing machines, bringing our capacity to 7,200 TPA. We also upgraded our FDY line to manufacture Bright and Coloured FDY yarns and installed 25 TFO machines dedicated to plying and twisting carpet yarns. In 2016, we took another step toward sustainability by commissioning a 4.80 MW furnace oil-based captive genset power plant, with plans for further expansion.

On July 16, 2024, the resolution plan proposed by the Eagle Group (which is also active in the textile and apparel manufacturing and trading sector) for acquiring Sumeet Industries Ltd received approval from the NCLT Ahmedabad bench. Supported by the Committee of Creditors, it enables a seamless transition of control to Eagle Group under the Corporate Insolvency Resolution Process. The objective is to maximize value for all stakeholders, ensuring the Company continued success under new leadership, along with capital restructuring and the re-listing of shares, effective June 19, 2025. Moving forward, in 2025, we expanded our FDY capacity with the addition of a new production line capable of manufacturing 40 tons per day of value-added yarns. The Board of the Company recently approved strategic investment for a 27% stake in Hi-Urja Techno LLP, a solar power firm, enabling captive renewable energy sourcing via a Power Purchase Agreement for 14 MW from its Gujarat plant. Furthermore, the board also approved strategic investment for 27% in Bajrang Green Energy One Pvt. Ltd. a wind Power generating company enabling wind captive power by entering Power Purchase agreement for 4.2 MW to be sourced from its Gujarati Plant.

The following tables presents the breakdown of total operational revenue by product and geographic region:

| Product(s) wise Sales             | (Amount in Lakhs)                  |           |           |           |
|-----------------------------------|------------------------------------|-----------|-----------|-----------|
|                                   | Period Ended<br>September 30, 2025 | 2025      | 2024      | 2023      |
| Pet Chips                         | 10,177.91                          | 19,009.46 | 22,319.92 | 19,958.65 |
| Polyester Partially Oriented Yarn | 17,229.17                          | 36,122.71 | 36,872.39 | 40,432.23 |
| Fully Drawn Yarn                  | 22,989.15                          | 43,205.56 | 37,390.50 | 40,059.32 |
| Polyester Textured Yarn           | 1,330.31                           | 1,955.13  | 1,852.92  | 2,656.24  |
| Yarn - Wastage                    | 30.86                              | 18.91     | 14.71     | 173.05    |
| Trading of other textile products | 19.95                              | 25.27     | 35.27     | 32.93     |

| Geographic wise Sales  | (Amount in Lakhs)                  |             |           |             |
|------------------------|------------------------------------|-------------|-----------|-------------|
|                        | Period Ended<br>September 30, 2025 | 2025        | 2024      | 2023        |
| Domestic (India)       | 51,777.34                          | 1,00,337.05 | 98,449.96 | 1,02,858.21 |
| Export (Outside India) | -                                  | -           | 35.74     | 454.21      |

Our wholly owned subsidiary, M/s. Sumeet Global Pte Limited, a private limited company incorporated in 2012 and registered with the Registrar of Companies, Singapore, was engaged in the trading and merchandising of petrochemical and textile commodities. However, as it has not carried on any active business operations for more than three years, the Board has decided to wind up the wholly owned subsidiary.

### Locations

**Registered Office:** 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat.

**Plant Location:** Plot No. 1 & 1A of Block No. 289, 291 & 292 & Plot No. 6 to 9A, 9B, 9C & 10 of Block 304 at Village-Karanj, Ta. Mandavi, Surat, Gujarat India.

**Human Resource:** As of February 2026, our team comprises 630 employees across various departments. Approximately 307 employees are engaged in Production, while 91 employees work in Quality Control and Material Packing & Dispatch. The Stores and Utility departments employ 40 individuals, and the Mechanical department is staffed with 76 employees. An additional 116 employees contribute to other key areas, including Admin & HR, Instrumentation, Electrical, and other plant functions. In addition to our core workforce, we have around 296 contract labourers who support our day-to-day operations.

## PRODUCTS PROFILE

|  |   |
|--|---|
|  | <p><b>Fully Drawn Yarn (FDY)</b><br/>Premium, stable FDY produced with controlled spinning, available in semi-dull, bright and super-bright dope-dyed options.</p> <p><b>Key Features:</b></p> <ul style="list-style-type: none"> <li>• Excellent performance in warping and knitting</li> <li>• Low breakage, consistent package quality</li> <li>• Equal bobbin weight and high intermingling quality</li> </ul> <p><b>Applications:</b></p> <ul style="list-style-type: none"> <li>• Warping, Knitting, Sizing, Weaving</li> </ul> |
|  | <p><b>Partially Oriented Yarn (POY)</b><br/>Uniform, high-speed yarn for texturing, draw twisting and air-texturing, available in semi-dull, bright and dope-dyed variants.</p> <p><b>Key Features:</b></p> <ul style="list-style-type: none"> <li>• Intermingled quality for smooth runnability</li> <li>• Uniform bobbin weight for high productivity</li> <li>• Suitable for high-speed texturing machines</li> </ul> <p><b>Applications:</b></p> <ul style="list-style-type: none"> <li>• Texturing, Draw twisting,</li> </ul>    |
|  | <p><b>PET chips</b><br/>High-quality polyester chips for POY, FDY and textured yarns, offering consistent melt quality and stable performance.</p> <p><b>Applications:</b></p> <ul style="list-style-type: none"> <li>• Polyester filament yarn</li> <li>• Textile grade fibre</li> <li>• Packaging and industrial polyester applications</li> </ul>  |
|  | <p><b>Trading of other textile products such as Polyester Textured Yarn and Yarn – Wastage</b><br/>Soft, high-bulk textured yarn available in various deniers and filament combinations.</p> <p><b>Key Features:</b></p> <ul style="list-style-type: none"> <li>• Intermingled and non-intermingled variants</li> </ul>   |

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>• Consistent dyeing and fabric quality</li> <li>• Available in semi-dull and black colors</li> </ul> <p><b>Applications:</b></p> <ul style="list-style-type: none"> <li>• Knitted fabrics, Woven fabrics, Fashion and apparel segments</li> </ul> <p>Yarn waste is commonly reused for making recycled fibers, stuffing materials, or lower-grade textile products.</p> |
|--|--|

## PRODUCTION CAPACITY

Our manufacturing unit have a locational advantage being situated in the Surat area. Its location gives its proximity to both raw material suppliers as well as end users. Based on the management’s current estimates, the production capacity of the plant is as follows:

| Name of the Product | Production Capacity (TPA) |
|---------------------|---------------------------|
| C.P. Plant          | 1,00,800                  |
| POY                 | 52,500                    |
| FDY                 | 45,500                    |
| Texturizing Yarn    | 5,400                     |
| Recycled Chips      | 2,700                     |

## PLANT AND MACHINERIES

| List of Plant and Machineries     | Quantity |
|-----------------------------------|----------|
| Polypropylene Plant               | 1        |
| Spinning Plant ( POY & FDY )      | 4        |
| DG Set (650 KV)                   | 2        |
| Weighing Scale                    | 1        |
| CP Plant & HTM Boiler & Utilities | 1        |
| Fire Hydrant System               | 1        |
| Barcode Machines                  | 8        |
| Re-Cycle Plant                    | 1        |
| 66 KV Switch Yard                 | 1        |
| Texturizing Machines              | 4        |
| ETP Plant                         | 1        |
| Dope Dyed Yarn                    | 1        |
| POY & Utilities                   | 1        |
| Water Recycle Plant               | 1        |
| Hydraulic Lift                    | 1        |

## OUR COMPETITIVE STRENGTHS

### 1. Integrated and Agile Manufacturing

Our end-to-end integrated operations across the value chain enable strong control over product quality, cost efficiency, and delivery timelines. The flexible production setup allows us to respond quickly to changing customer requirements and market dynamics.

### 2. Operational Excellence

We maintain high operating efficiency through disciplined waste management and strict rejection control. In-house recycling and continuous process optimisation further enhance operational resilience and margin stability.

### 3. Cost Advantage

Our strategically located manufacturing facilities support efficient logistics and just-in-time supply to customers. Efficient operations, low wastage, and high capacity utilisation help us maintain sustainable cost leadership.

### 4. Strong Customer Relationships

Close engagement with customers and proximity to key markets enable us to build long-term relationships and generate repeat business. Our ability to supply customised and smaller lot sizes enhances customer loyalty across market cycles.

## 5. Technology-Backed Scalability

Continuous investments in modern machinery and advanced manufacturing technology strengthen our production capabilities. Our platform is designed to support future capacity expansion and growth in value-added product segments.

## 6. Value-Added Growth Orientation

We are increasingly focusing on speciality and premium yarns to improve our product mix and margins. A clear roadmap for capacity expansion and higher value-added products supports our long-term growth strategy

# OUR BUSINESS STRATEGY

## 1. Capacity Enhancement & Product Mix Optimization

Leverage ongoing and planned expansions to increase production volumes, improve product mix towards higher-margin products, and fully utilize TPA Continuous Polymerization and expanded spinning & texturizing capacities.

## 2. Strengthen Export Market Penetration

Deepen presence in existing twenty plus export markets and enter new geographies by participating in international textile exhibitions, obtaining additional certifications, and building direct relationships with global weaving and fabric converters to increase export contribution.

## 3. Backward & Forward Integration Deepening

Maximize benefits of complete in-house value chain and further invest selectively in debottlenecking, waste recycling, and energy efficiency projects to reduce costs and improve sustainability credentials.

## 4. Focus on Sustainability & Circular Economy

Expand utilization of recycled polyester plant, introduce recycled-content yarns, and target environmentally conscious international buyers and brands seeking GRS-certified and sustainable synthetic yarns.

## 5. Operational Efficiency & Cost Leadership

Optimize energy consumption through captive power plants, improve yield ratios, reduce waste, and maintain strict working-capital discipline to sustain cost competitiveness in a volatile raw-material price environment.

# SWOT ANALYSIS

|                      |   |
|----------------------|---|
| <b>STRENGTHS</b>     | <ul style="list-style-type: none"> <li>Successfully implemented various expansion schemes in the past with in-house expertise.</li> <li>Consistently achieved capacity utilisation over 100% in respect of POY &amp; FDY.</li> <li>Locational advantage being the company is situated in Surat City. Surat City itself a big market of Polyester Industry capturing more than 90% of sale of man made fibre products.</li> <li>Products are well accepted in the market both nationally &amp; internationally.</li> <li>With the implementation of the proposed project, the company will reap the benefits of economies of scale due to optimum utilisation of the existing facilities.</li> </ul>   |
| <b>CHALLENGES</b>    | <ul style="list-style-type: none"> <li>The prices of raw materials and finished goods move in tandem with international prices, which, in turn, have positive correlation with the prices of petrochemical products.</li> <li>Company is in medium size as compare to market leaders like Reliance Industries Limited.</li> <li>The company is exposed to various financial risk emanated from foreign exchange currency risk.</li> </ul>   |
| <b>OPPORTUNITIES</b> | <ul style="list-style-type: none"> <li>Polyester is the fibre of the future, finding varies applications across home furnishing, apparel industry, automotive industry, sportswear, technical textiles etc.</li> <li>Our Product mix spread over five important Polyester products :- Pet Chips , POY , FDY , Texturized Yarn &amp; Carpet Yarn</li> <li>With no major capacity increase being created in the recent past / being planned in the near future, the existing players are well positioned to take advantage of the emerging scenario where demand is expected to exceed supply.</li> <li>Potential growth in domestic demand for POY due to increase in share of non-cotton fabric in total fabric production on account of lower availability of cotton, reduction in the excise duty on non-cotton yarns, and higher cotton yarn exports.</li> </ul> |
| <b>THREATS</b>       | <ul style="list-style-type: none"> <li>India has concluded / is in the process of concluding Free Trade Agreements (FTA) with a number of countries like Sri Lanka, Thailand, China, etc. This will lead to lower tariffs all round and may affect Indian textile units, including FIL.</li> <li>Post WTO, when India would be exposed to international competition. FIL's position is expected to be vulnerable vis-à-vis those companies with global size and modern facilities.</li> </ul>   |

## OUR PROMOTERS

Current Promoters of our Company are Radheshyam Bhawarlal Jaju & Pratik Rajesh Jaju.

### MR. RADHESHYAM BHAWARLAL JAJU

He has over 40 years of experience with Eagle Group, having contributed from its early stages. He has supported the group's expansion and business development. His industry knowledge has aided the group's growth, with 35 years of experience in segments such as nylon, spinning, ginning, texturizing, and weaving. Having worked at every organizational level, he remains involved in management and is dedicated to the group's progress. His key responsibilities include overseeing overall marketing, raw material procurement, and business networking.

### MR. PRATIK RAJESH JAJU

He holds an MBA and has over 10 years of experience. After completing his post-graduation, he joined in family business. He is now involved in supporting the business operations of various companies within the Eagle Group. His responsibilities include overseeing Company's production, operations, and marketing.

## INDIVIDUAL MEMBERS OF PROMOTER GROUP

Amit Ghanshyam Jaju, Anoop Radheshyam Jaju, Umadevi Radheshyam Jaju, Anubha Amit Jaju, Bhavna Manish Jaju, Manish Ghanshyam Jaju, Shailesh Ghanshyam Jaju, Arti Shailesh Jaju, Shubh Amit Jaju, Rohan Dipakbhai Modh, Shreya Pratik Jaju, Sudha Rajesh Jaju, Preksha A Jaju, Srivallabh S. Bhandari, Kavita S. Bhandari, Raghav S. Bhandari, Sanjay S. Bhandari, Hemlata S. Bhandari, Pratik Rajesh Jaju, Shubh Amit Jaju and Vedant Manish Jaju.

## CORPORATE MEMBERS OF PROMOTER GROUP

Padmini Polytex Private Limited, Supreme (India) Impex Limited, Eagle Fibres Limited and JPB Fibres.

*Note: Pursuant to the Hon'ble National Company Law Tribunal's order dated July 16, 2024, the erstwhile promoters of the Company (namely the Somani family) have ceased to be promoters and are no longer part of the Promoters or Promoter Group following the takeover by new promoters. In relation to this matter, the Company filed an application with the stock exchanges and received approval for the reclassification of the erstwhile promoters and promoter group on January 28, 2026, from both exchanges.*

## INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS IN THE ISSUE

Pursuant to Regulation 86 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI (ICDR) Regulations"), it is mandatory for the issuer company to achieve a minimum subscription in a Rights Issue. Specifically, the Company must receive subscription for at least ninety percent of the total issue size as stated in the Draft Letter of Offer.

Our Promoters and members of the Promoter Group have collectively declared and confirmed vide letter dated March 06, 2026, that they do not intend to participate in the Rights Issue of Equity Shares being offered by the Company. Further, none of the Promoters, nor any entity or person forming part of the Promoter Group, will subscribe to any portion of their rights entitlements or apply for any additional shares in this Rights Issue. This declaration has been made in accordance with Regulation 84(1) of the SEBI (ICDR) Regulations.

The decision of the Promoter to abstain from participating in the Rights Issue is in line with the requirements laid down under the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), particularly Rule 19A(5), which mandates that listed companies must maintain a minimum public shareholding of 25%.

The Company had undergone a Corporate Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency and Bankruptcy Code, 2016, pursuant to which a Resolution Plan submitted by Eagle Group was approved by the Committee of Creditors and subsequently sanctioned by the Hon'ble National Company Law Tribunal, which resulted in a substantial acquisition of equity shares by the Resolution Applicant and a

consequent increase in promoter shareholding. Pursuant to implementation of the approved Resolution Plan, the Promoter's shareholding exceeded the prescribed MPS threshold. Accordingly, the Company was required to take appropriate steps to restore compliance with MPS norms. In line with the applicable provisions of the SCRR, Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and relevant SEBI circulars, the Company has adopted the Rights Issue method for public shareholders, whereby the Promoters has confirmed their non-participation in the Issue.

The Promoter's non-participation in the Rights Issue is therefore intended to facilitate dilution of promoter shareholding and enable the Company to achieve compliance with the minimum public shareholding requirements within the prescribed regulatory framework.

Further, in accordance with Regulation 86(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the requirement of minimum subscription shall be applicable to the Rights Issue. In the event the minimum subscription is not received, the Company shall refund the entire application monies received, in accordance with Regulation 86(2) of the SEBI ICDR Regulations, forthwith and in any case not later than four (4) days from the date of closure of the Rights Issue.

Our Company intended to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

### ALLOTMENT OF THE COMPANY TO ALLOT THE UNDER-SUBSCRIBED PORTION OF THE RIGHTS ISSUE TO ANY SPECIFIC INVESTOR(S)

The under-subscribed portion of the Issue may be allotted to any specific investor(s) recognized by the Company. Name(s) of the specific investor(s), if any, shall be disclosed in a public advertisement two days prior to the Issue Opening Date.

### OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

| Particulars                            | Amount                 |
|--|------------------------|
| Gross Proceeds from the Issue*         | 19,987.22 <sup>#</sup> |
| Less: Estimated Issue related Expenses | 500.00                 |
| <b>Net Proceeds from the Issue</b>     | <b>19,487.22</b>       |

\*Assuming full subscription

For further details, please refer to the section titled '*Objects of the Issue*' on page no. 61.

### SUMMARY OF FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Consolidated Financial Statements for the Financial Year ending March 31, 2025, 2024 and 2023 and Unaudited Consolidated Financial Statement for the half year ended September 30, 2025.

(₹ in lakhs)

| Particulars                             | September 30, 2025 | 2025       | 2024       | 2023       |
|---|--------------------|------------|------------|------------|
| Equity Share Capital                    | 13,326.51          | 13,326.51  | 10,364.24  | 10,364.24  |
| Net Worth                               | 20,297.46          | 18,520.82  | -17,669.11 | -11,633.66 |
| Total Income                            | 52,083.16          | 100,573.85 | 98,571.01  | 104,334.65 |
| Profit / (loss) after tax               | 1,783.75           | 17,026.09  | -5,901.16  | -5,872.17  |
| Basic and diluted EPS (in ₹)            | 1.68               | 16.20      | -5.70      | -5.67      |
| Net asset value per Equity Share (in ₹) | 15.23              | 13.90      | -17.50     | -11.22     |

## OUTSTANDING LITIGATIONS

| Name                       | By / Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by Regulatory Authority | Amount Involved* (₹ in lakhs) |
|----------------------------|--------------|-------------------|----------------------|-----------------|---------------------------------|-------------------------------|
| Company                    | By           | -                 | -                    | -               | 1                               | 1,209                         |
|                            | Against      | -                 | -                    | -               | -                               | -                             |
| Promoters                  | By           | -                 | -                    | -               | -                               | -                             |
|                            | Against      | -                 | -                    | -               | -                               | -                             |
| Group Companies / Entities | By           | -                 | -                    | -               | -                               | -                             |
|                            | Against      | -                 | -                    | -               | -                               | -                             |
| Directors <sup>§</sup>     | By           | -                 | -                    | -               | -                               | -                             |
|                            | Against      | -                 | -                    | -               | -                               | -                             |

\*To the extent quantifiable

§ Directors other than promoters

## AUDITOR QUALIFICATIONS

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their reports.

## RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '**Risk Factors**' on page no. 26.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby the promoters, our directors and their relatives have financed the purchase of Equity Shares by any other person other than in the normal course of the business of the financing entity during the period of 6 (Six) months immediately preceding the date of this Draft Letter of Offer.

## ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Except for the reduction in Equity Share capital of existing public shareholders, pursuant to which the Board allotted equity shares in a proportionate ratio of 4 Equity Shares of face value ₹10 each for every 77 Equity Shares of face value ₹10 each to the equity shareholders whose names appeared on the record date, i.e., October 18, 2024, and the allotment on March 31, 2025 of 10,00,00,000 Equity Shares to the Successful Resolution Applicant(s) in accordance with the Resolution Plan, the Company has not issued any Equity Shares for consideration other than cash during the one year preceding the date of this Draft Letter of Offer.

## SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Pursuant to a special resolution approved by the shareholders at their general meeting held on August 30, 2025, the Company has implemented a stock split, decreasing the face value of each share from Rs. 10/- to Rs. 2/-.

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## SECTION III – RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in ‘Financial Information’ on page no. 76 in this Draft Letter of Offer, before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. To the extent the Covid-19 pandemic has adversely affected and may affect our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, about the consequences of an investment in our Equity Shares and its impact on you.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us”, “our” refers to our Company.*

### **Materiality**

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

1. *Some events may not be material individually but may be found material collectively,*
2. *Some events may have material impact qualitatively instead of quantitatively, and*
3. *Some events may not be material at present but may have a material impact in future.*

### INTERNAL RISK FACTORS

#### **1. Sustained negative cash flow could adversely impact our business growth, financial condition, and results of operations.**

Our Company has negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.

*(Amt. in Lakhs)*

| Particulars                           | For year ended<br>March 31, 2025 | For year ended<br>March 31, 2024 | For year ended<br>March 31, 2023 |
|---------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Net Cash from Operating Activities    | 41,005.56                        | 1,479.09                         | 7,296.28                         |
| Net Cash used in Investing Activities | -86.38                           | 72.87                            | -77.39                           |
| Net Cash used in Financing Activities | -38,988.47                       | 96.24                            | -6,786.76                        |

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

#### **2. There may be potential conflicts of interest of our Parent Company are involved in same business activities that compete with or are in the same line of activity as our business operations.**

Certain group companies/entities associated with Eagle Group are engaged in business activities that are similar to those conducted by our Company. Our company has entered into, and expects to continue entering into, various transactions with this group. However, Eagle Group is not a promoter of our company. Consequently, we cannot guarantee that the interests of these group companies will not conflict with those of our Company. Any such present or future conflicts of interest could materially impact our reputation, business operations, financial condition, and profitability.

**3. We have certain outstanding litigation involving our company, promoters, directors. Any adverse outcome of which may adversely affect our business, reputation and results of operations.**

There are outstanding legal proceedings against our Company, its Promoters, Directors, and Group Companies, which are pending at various levels of adjudication before various courts, tribunals and other authorities. The summary of outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory action and other material pending litigation involving our Company, its Promoters, Directors, and Group Companies/Entities. Cases against our Company, its promoters, Directors, and Group Companies/Entities:

| Name                       | By / Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by Regulatory Authority | Amount Involved (₹ in lakhs) |
|----------------------------|--------------|-------------------|----------------------|-----------------|---------------------------------|------------------------------|
| Company                    | By           | -                 | -                    | -               | 1                               | 1,209                        |
|                            | Against      | -                 | -                    | -               | -                               | -                            |
| Promoters                  | By           | -                 | -                    | -               | -                               | -                            |
|                            | Against      | -                 | -                    | -               | -                               | -                            |
| Group Companies / Entities | By           | -                 | -                    | -               | -                               | -                            |
|                            | Against      | -                 | -                    | -               | -                               | -                            |
| Directors <sup>§</sup>     | By           | -                 | -                    | -               | -                               | -                            |
|                            | Against      | -                 | -                    | -               | -                               | -                            |

*§ Director other than Promoters*

The amounts claimed in these proceedings have been disclosed to the extent possible. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. We cannot guarantee favourable litigation outcomes. Additionally, complaints or any legal actions from customers, regulators, or employees might also affect us.

**4. We are substantially dependent on third-party suppliers for key raw materials, and any disruption in their supply or significant fluctuation in prices could adversely affect our operations, profitability, and financial condition.**

We are operating a highly integrated manufacturing facility from polymerisation to finished yarns remains significantly dependent on external suppliers for its primary raw materials, namely Purified Terephthalic Acid (PTA) and Mono-Ethylene Glycol (MEG), which are the basic petrochemical inputs required for producing polyester chips and subsequently all downstream polyester yarns and products.

We do not currently have its own captive PTA or MEG manufacturing facility and does not maintain long-term fixed-price or fixed-quantity supply contracts with all of its raw material suppliers. Consequently, we are exposed to risks relating to availability, pricing volatility, and quality consistency of these critical inputs. PTA and MEG prices are directly linked to global crude oil and petrochemical prices and are subject to significant fluctuations. Any sharp increase in raw material prices that cannot be immediately passed on to customers may adversely affect our gross margins.

Further, supply disruptions arising from plant shutdowns of major global or domestic PTA/MEG producers, logistical bottlenecks, port delays, geopolitical tensions, export restrictions imposed by producing countries, force majeure events at supplier plants, or transportation constraints could lead to raw material shortages. Such shortages may force the Company to curtail production, resulting in under-utilisation of its polymerisation, POY, FDY, and texturing capacities at the Surat plant.

In the event of prolonged non-availability or unaffordable pricing of PTA and MEG, and if the Company is unable to secure alternative sources on commercially viable terms in a timely manner, it may lead to loss of production days, inability to fulfil customer orders, erosion of market share, penalty payments, damage to customer relationships, and a material adverse impact on revenue, EBITDA, and overall profitability.

Although the Company endeavours to maintain relationships with multiple suppliers and keeps strategic inventory, there can be no assurance that such measures will fully mitigate the risks associated with third-party raw material dependency in the future.

**5. The Company is highly dependent on a few customers for a significant portion of its revenue. Loss of one or more of these major customers or a substantial reduction in their orders could adversely affect our business, profitability and results of operations**

We sell our products i.e. Polyester Chips (Textile Grade), Partially Oriented Yarn (POY), Fully Drawn Yarn (FDY), Texturised Yarn, Dope-Dyed Yarn, Cationic Yarn and other Value-Added Yarns to a large number of domestic customers comprising weavers, texturisers, fabric manufacturers and traders. However, a significant portion of our total revenue is contributed by a limited number of customers.

Although the Company has maintained long-standing business relationships with most of these customers, we generally do not enter into long-term or exclusive sales agreements with them. Our sales are primarily made on purchase order basis and there is no commitment on the part of these customers to continue to place orders with us at historical levels or on similar commercial terms.

| Particulars                                       | Period ended 30.09.2025 |                    | 2024-2025             |                    | 2023-2024             |                    | 2022-2023             |                    |
|---|-------------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
|   | Revenue from customer   | % of total Revenue | Revenue from customer | % of total Revenue | Revenue from customer | % of total Revenue | Revenue from customer | % of total Revenue |
| Revenue from top 5 customers<br>(Amount in lakhs) | 47,864.26               | 92.44              | 87,585.35             | 87.29              | 98,561.47             | 100                | 96,433.85             | 92.34              |

Any loss of one or more of these major customers, significant reduction or cancellation of their orders, delay in payments, shift to competitors, or adverse change in their business or financial condition may materially affect our revenue, capacity utilisation and cash flows.

Since our integrated manufacturing facility at Surat operates on a continuous basis with substantial fixed overheads, any sharp drop in offtake from key customers without corresponding replacement orders would lead to lower capacity utilisation, inventory pile-up and pressure on operating margins.

However, to mitigate this risk, the Company continuously endeavours to broaden its customer base across different regions and market segments, develop new value-added and specialty yarns to attract new customers, participate in textile exhibitions, and strengthen relationships with existing customers through consistent quality, timely delivery and competitive pricing.

**6. Significant dependence on the textile and apparel sector for a major portion of our sales exposes us to industry-specific risks that could adversely affect our business, results of operations, and financial condition**

We derive substantially all of its revenue from the manufacture and sale of polyester filament yarns, dope-dyed yarns, cationic yarns, micro-filament yarns, and textile-grade PET chips, which are primarily consumed by the textile and apparel industry.

The downstream demand for our products is directly linked to the performance and growth of the textile sector in India and in our export markets. Any slowdown, contraction, or structural challenges in the textile and apparel industry whether caused by reduced consumer spending, shift in fashion trends,

increased preference for natural fibres, higher cotton availability leading to substitution of polyester, imposition of anti-dumping duties or trade restrictions on synthetic yarns/textiles, labour issues in weaving/power-loom clusters, or policy changes affecting textile exports could result in lower off-take of our yarns and chips.

Since the textile sector continues to account for the overwhelming majority of our sales any adverse development affecting this single end-user industry would have a direct and material impact on our capacity utilisation, pricing power, inventory levels, revenue, and profitability.

Although the Company is expanding its FDY capacity to produce value-added and specialty yarns with a view to partially diversify its product mix and explore niche technical-textile applications, the bulk of the expanded capacity will continue to serve the conventional textile value chain. There can be no assurance that such diversification efforts will significantly reduce our dependence on the textile sector in the near to medium term.

#### **7. Our raw material supplies are subject to seasonal disruptions and volatility, which may adversely affect our production, costs and financial performance**

The supply of key raw materials such as Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG), which are petrochemical feedstocks essential for PET chips production and polymerization in our polyester yarn manufacturing, can be influenced by seasonal factors including monsoons, adverse weather conditions and logistical challenges that impact crude oil refining and derivatives transportation in India. These disruptions often do not align with our steady and continuous production demand at the integrated Karanj facility, leading to potential mismatches in inventory levels and operational continuity. As a result, any inaccuracies in forecasting raw material availability or demand for our products could negatively impact our business performance, operational results and financial health.

Seasonal logistics delays, particularly during the monsoon season, may affect the timely availability and quality of PTA and MEG inputs required for producing POY, FDY and texturised yarns, thereby heightening supply chain vulnerabilities. Variations in global petrochemical pricing, feedstock availability due to international supply chain issues, or domestic transportation bottlenecks can lead to temporary shortages, increased procurement costs or the need for alternative sourcing at higher prices.

Our ongoing expansions and capacity enhancements also demand precise demand forecasting to avoid underutilization of new lines or excess inventory buildup. Inadequate storage facilities, transportation delays or improper handling of raw materials could lead to degradation in quality or consistency, hindering our ability to fulfill customer orders for value-added products such as cationic, dope-dyed or micro-filament yarns, and ultimately pressuring revenue and margins.

However, we continuously endeavour to mitigate these risks by maintaining strategic buffer stocks of critical raw materials, diversifying our supplier base across multiple geographies, investing in weather-resilient logistics partnerships and enhancing forecasting accuracy through advanced inventory management systems and market intelligence, so as to ensure stable supply and minimize cost volatility.

#### **8. The supply of inputs sensitive to seasonality, such as petrochemical feedstocks for PET chips and polymerization in polyester yarn production, is influenced by seasonal variations like monsoons or weather impacting crude oil derivatives and often does not align with the steady demand for our products. As a result, any inaccuracies in forecasting product demand could negatively impact our business performance, operational results, and financial health.**

The supply of inputs sensitive to seasonality, such as petrochemical feedstocks for PET chips and polymerization in polyester yarn production, is influenced by seasonal variations like monsoons or agricultural cycles impacting crude oil derivatives, often misaligning with steady demand for our products. As a result, inaccuracies in forecasting product demand could negatively impact business performance, operational results, and financial health at integrated Karanj facility.

Seasonal disruptions in raw material quality or availability, such as logistics delays during monsoon season affecting POY, FDY, and texturized yarn inputs, heighten supply chain vulnerabilities. Variations

in feedstock yields or global petrochemical pricing can lead to shortages, compounded by reliance on captive power, if fuel logistics falter seasonally.

Ongoing expansions, demand precise forecasting to avoid capacity underutilization from these mismatches. Inadequate storage, transportation delays, or handling could degrade inventory consistency, hindering customer orders for cationic, dope dyed, or micro filament yarns and pressuring revenue and margins. Supply chain enhancements aim to mitigate cost volatility and financial risks.

The supply of key raw materials used in our polyester yarn manufacturing operations is also subject to seasonal and market-driven fluctuations that may not always align with product demand. Inputs such as petrochemical derivatives, including PTA and MEG used in PET chip and polyester yarn production, may experience supply constraints or price volatility due to seasonal logistics disruptions, refinery maintenance cycles, or fluctuations in crude oil markets. Such variations can affect the availability, quality, and cost of raw materials required for the production of POY, FDY, texturized, cationic, dope dyed, and micro filament yarns. Any mismatch between raw material availability and customer demand may lead to production inefficiencies, increased procurement costs, or delays in fulfilling customer orders, which could adversely impact operational performance, margins, and overall financial results.

Inputs are not perishable but it degraded in long time or inconsistency in product availability if not properly handled. Any inaccuracies in forecasting demand or disruptions in sourcing, storage, or transportation could impact our ability to meet customer orders, thereby affecting our revenue and margins. Additionally, factors like inadequate storage facilities, transportation delays, or poor handling practices further exacerbate the risk of product quality loss or supply chain disruptions. These challenges could lead to significant fluctuations in costs and margins, negatively impacting our financial performance, despite ongoing efforts to enhance supply chain management and forecasting accuracy.

**9. Technical failures, breakdowns, or under-performance of our manufacturing plants and machinery could lead to production losses, warranty claims, customer disputes, and materially adverse effects on our operations, reputation, and profitability.**

We operate a capital-intensive, continuous-process, integrated polyester filament yarn manufacturing facility at Karanj, comprising a 1,00,000 TPA continuous polymerisation plant, multiple POY and FDY spin-draw lines, high-speed texturizing machines, dope-dyeing systems, TFO twisting units, and captive power generation. The entire plant runs 24×7, and any technical failure or breakdown of critical imported machinery sourced primarily from Germany, China and other reputed OEMs can cause significant production interruption, lower recovery, higher process waste, and off-spec production of POY, FDY, texturized, dope-dyed, cationic, micro-filament, and carpet yarns.

Such failures may arise from spinneret or spin-pack clogging, godet or winder malfunctions, texturising heater or friction disc issues, catalyst or heat-exchanger problems in the polymerisation section, or unplanned outages in captive power generation, leading to costly reliance on grid power or complete plant shutdown. Despite rigorous in-house quality testing, there is no absolute assurance that the yarn will perform flawlessly under varying processing conditions at customers' weaving, knitting, or dyeing units.

The Company extends quality assurances and limited warranties covering physical and performance parameters, and any large-scale deviation or rejection may require replacement of material, credit notes, compensation for downstream losses, or sorting and transportation costs at the Company's expense, thereby resulting in substantial financial liability and damage to customer relationships.

Furthermore, the ongoing FDY capacity expansion carries additional risks of commissioning delays, initial teething troubles, or failure to achieve targeted efficiency and quality levels, which could delay the realisation of benefits from the new investment. Accordingly, prolonged or recurring technical failures, machinery breakdowns, or quality deviations could materially and adversely affect production volumes, capacity utilisation, cost of production, revenue, profitability, and overall financial condition of the Company.

**10. The Company is dependent on a few suppliers for purchases of raw materials. The loss of any of these suppliers may affect our business operations adversely.**

We procure a substantial portion of our major raw materials, particularly Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG), from a limited number of domestic and international suppliers. Although the Company has maintained long-standing business relationships with most of these suppliers, we do not have long-term or exclusive supply agreements with all of them.

| Particulars                                     | For the period ended 30.09.2025 |                     | 2024-2025              |                     | 2023-2024              |                     | 2022-2023              |                     |
|---|---------------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|
|   | Purchase from Supplier          | % of total Purchase | Purchase from Supplier | % of total Purchase | Purchase from Supplier | % of total Purchase | Purchase from Supplier | % of total Purchase |
| Purchase from top 5 Suppliers (Amount in lakhs) | 37,922.33                       | 97.91               | 72,598.22              | 89.81               | 76,275.72              | 77.35               | 77,802.55              | 78.88               |

We cannot assure that these suppliers will continue to supply the required quantity and quality of PTA, MEG and other petrochemical derivatives without interruption and at competitive prices. Any disruption in the supply due to plant shutdowns, force majeure events, geopolitical issues, sharp fluctuations in global crude oil and petrochemical prices, transportation bottlenecks or re-allocation of material by suppliers to other buyers may adversely affect our production schedules, capacity utilization, procurement cost and profitability.

Since our manufacturing process is based on continuous polymerization and requires uninterrupted availability of PTA and MEG for production of Textile Grade Chips, POY, FDY, Texturised Yarns and Value Added Yarns at our integrated plant at Karanj, Surat, any significant delay or shortage in raw material supply or abnormal increase in prices which cannot be passed on to customers would materially affect our revenue and results of operations.

However, to mitigate this risk, the Company continuously endeavours to widen its supplier base, develop alternate sources in different geographies, maintain optimum inventory of critical raw materials and actively qualify new suppliers so as to ensure continuity of supply and reduce dependence on a few suppliers.

#### 11. Our Company has high Employee Attrition, which may Impact Our Performance, Profitability and Financial Results

Our company has experienced a relatively high employee attrition rate. The latest attrition details for February 2026, compared to the previous month, are as given below:

| Employee Particulars      | February 2026 |
|---------------------------|---------------|
| Opening Count             | 629           |
| New Joiner                | 10            |
| Left                      | 9             |
| Remaining                 | 630           |
| <b>Attrition Rate (%)</b> | <b>1.43</b>   |

Elevated attrition can lead to increased recruitment and training expenses, the loss of experienced talent, and potential delays in project execution, ultimately impacting productivity and service quality. If we are unable to retain or attract skilled employees in the future, it may negatively affect our overall business operations, profitability, and financial results.

#### 12. Non-compliance with applicable laws and regulations, or changes in regulatory framework governing the polyester yarn manufacturing industry, could expose us to significant legal, financial, operational and reputational risks.

We, as an integrated manufacturer of polyester filament yarns, texturised yarns, dope-dyed yarns and textile-grade PET chips with a 1,00,000 TPA continuous polymerisation plant, multiple spinning and texturising lines at Karanj is subject to an extensive framework of central, state and local regulations covering environmental protection, pollution control, industrial safety, hazardous waste management, labour welfare, power generation, foreign trade and corporate governance. Key compliances include strict adherence to Zero Liquid Discharge norms, effluent and air emission standards prescribed by the Gujarat Pollution Control Board under the Water Act, Air Act and Hazardous Waste Rules; regular renewal of consents to establish/operate; compliance with factory, boiler and electrical safety regulations under the Factories Act; timely payment of statutory dues; and maintenance of Star Export House status along with availing export incentives under Advance Authorisation, Duty Drawback, RoSCTL/RoDTEP and similar schemes.

Any lapse in obtaining or renewing critical environmental consents, failure to meet revised pollution norms, non-compliance with labour or safety laws, or inability to fulfil conditions attached to export benefits could result in imposition of heavy penalties, partial or complete plant shutdown, suspension or cancellation of licences, withdrawal of fiscal incentives, protracted litigation and severe reputational damage. The ongoing FDY capacity expansion further requires amended pollution consents, additional factory approvals and environmental clearances; any delay or refusal in securing these could derail project execution and financial returns.

Moreover, adverse policy changes such as withdrawal or reduction of export incentives, increase in power tariffs, imposition of anti-dumping or safeguard duties on PTA/MEG imports, or introduction of more stringent environmental or energy-efficiency norms could significantly raise operating costs and erode competitiveness. Although the Company has dedicated teams to monitor regulatory developments and ensure timely compliance, there can be no assurance that all present and future requirements will be met without interruption or that regulatory changes will not materially and adversely affect our business, results of operations and financial condition.

**13. The manufacturing units of our Company are concentrated in the state of Gujarat and the inability to operate and grow our business in other regions may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.**

The manufacturing units of our Company are located in the state of Gujarat. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state government or local governments in these regions could adversely affect manufacturing operations and require a modification of our business strategy or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at the manufacturing facilities of our Company could result in significant loss due to an inability to meet customer requirements and production schedules, which could materially affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects

**14. We dependent on our Promoters, Key Managerial Personnel and Senior Management for continued performance and growth. Our inability to retain or replace them in a timely manner may adversely affect our business and results of operations.**

Our Company has been promoted by Shankarlal Somani and his family since its incorporation in 1988. Over the last three decades, our growth from a small polypropylene yarn unit to a fully integrated polyester filament yarn and chips manufacturer has been driven by the vision, technical expertise and entrepreneurial leadership of our Promoters.

Even after the change in management control in July 2024 pursuant to the Hon'ble NCLT approved resolution plan in favour of Egale Group, our continued performance remains dependent on the rich industry experience of the earlier team carried forward, combined with the fresh strategic direction and professional expertise brought in by the new management team of Egale Group, our present Key Managerial Personnel and Senior Management.

Our manufacturing operations involve highly specialised and continuous processes such as polymerization, high-speed spinning (POY & FDY), texturizing, dope-dyeing and production of value-added specialty yarns on sophisticated imported machinery. The knowledge and hands-on experience of our plant heads, production managers, quality control heads, maintenance engineers and marketing team are critical for maintaining high-capacity utilisation, consistent product quality, on-time delivery and cost competitiveness.

The loss of services of any of our Key Managerial Personnel or senior functional heads, and our inability to replace them with equally competent and experienced professionals in a timely manner, could adversely affect our day-to-day operations, customer relationships, ongoing expansion projects and overall profitability.

Further, we are currently implementing a major capacity enhancement programme for manufacturing value-added synthetic yarns. The successful and timely completion of this project is heavily dependent on the continued availability and performance of our experienced technical and project execution teams.

We also operate in an industry where skilled manpower for polymer processing, operation and maintenance of high-speed German, China and OAM, and product development remains in short supply. Any significant increase in attrition levels or wage costs, or our inability to attract suitable talent, may adversely impact our operational efficiency and growth plans.

We need to maintain sufficient inventory levels to meet customer expectations at all times. Our inability to maintain appropriate levels of inventory to meet the demands of our customers may have an adverse effect on our results of operations and financial condition.

We need to maintain sufficient inventory levels to meet customer expectations at all times. Accumulating excess inventory could increase our inventory costs, and a failure to have adequate inventory in stock to fulfil customer orders could result in inability to meet customer demand or loss of customers.

As actual orders by our customers are only placed by way of on-going purchase orders which are subject to refining/ phasing-out of existing models on an on-going basis, we are exposed to significant or unexpected changes in product specifications and delivery schedules, which may result in a mismatch between our inventories of raw materials and bought out components and of manufactured products, thereby increasing our costs for maintaining inventory.

Our inability to forecast the level of customer demand for our products as well as our inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business and cash flows from operations.

The table below sets forth our inventory as of the dates stated:

*(Amount in lakhs)*

| Particulars | FY 2024-25 | FY 2023-24 | FY 2022-23 |
|-------------|------------|------------|------------|
| Inventories | 10,552.12  | 10,252.34  | 10,299.22  |

While we have not written off any inventory or experienced a significant mismatch in the past, there can be no assurance that such instances in the future will not have a material adverse effect on our liquidity, profitability and financial condition. Furthermore, we may be required to maintain high inventory levels if we anticipate increase in customer demand for our products, which in turn would require a significant amount of working capital. Continued increases in our working capital requirements may have an adverse effect on our results of operations and financial condition.

**15. The Company is dependent on a few key debtors for a substantial portion of its accounts receivable. Any default, delay in payment, or deterioration in the financial health of these debtors may adversely affect our cash flow, liquidity, and financial position.**

Our business involves extending credit terms to customers for the sale of products such as Polyester Chips, Partially Oriented Yarn, Fully Drawn Yarn, Texturised Yarn, Dope-Dyed Yarn, Cationic Yarn, and other Value-Added Yarns. While we serve a diverse range of domestic customers including weavers,

texturisers, fabric manufacturers, and traders, a significant share of our outstanding receivables is often concentrated among a limited number of large debtors.

We typically do not secure long-term payment guarantees or collateral from these debtors, and our credit sales are based on standard trade terms, purchase orders, and historical relationships. There is no assurance that these debtors will continue to meet their payment obligations promptly or in full, especially in the event of economic downturns, industry disruptions, or changes in their business operations.

| Particulars                                 | For the period ended 30.09.2025 |                        | 2024-2025   |                        | 2023-2024   |                        | 2022-2023   |                        |
|---|---------------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------------------|
|   | Receivables                     | % of total Receivables | Receivables | % of total Receivables | Receivables | % of total Receivables | Receivables | % of total Receivables |
| Top ten Trade Receivables (Amount in lakhs) | 10,138.87                       | 100.00                 | 8,392.22    | 100.00                 | 8,202.06    | 100.00                 | 10,478.23   | 100.00                 |

Any default by one or more of these key debtors, significant delays in collections, or the need to write off bad debts could adversely affect our working capital, increase provisioning requirements, and strain our financial resources. Additionally, if these debtors face insolvency, legal disputes, or operational challenges, it may lead to prolonged recovery processes or irrecoverable losses.

Our integrated manufacturing facility requires consistent cash inflows to manage ongoing operations, raw material procurement, and overheads. A concentration of receivables with few debtors heightens the risk of liquidity shortages if payments are disrupted, potentially forcing us to seek alternative financing at higher costs.

To mitigate this risk, the Company primarily conducts sales of its products through dealers appointed by the Company. By working with an established dealer network, the Company manages its credit exposure more effectively and ensures better control over collections. The Company maintains regular communication with its dealers, monitors their payment performance, and periodically reviews credit limits based on their payment history and prevailing market conditions. This approach helps in reducing the risk associated with receivables while ensuring smooth distribution of the Company's products.

**16. Our Company is highly leveraged. Inability to service our debt obligations, comply with restrictive covenants or obtain additional funding on acceptable terms may materially affect our business, financial condition and results of operations.**

We continue to have substantial outstanding borrowings from banks and financial institutions. These borrowings have been primarily utilized for funding various capacity expansion projects, installation of captive power plants, meeting working capital requirements and for bridging cash losses in earlier years. Although a large portion of the earlier unsustainable debt has been settled/written down pursuant to the Hon'ble NCLT approved resolution plan dated 16th July 2024 implemented by Egale Group, we continue to remain leveraged and are required to service the restructured/sustainable debt and comply with various financial and operative covenants stipulated by our lenders.

Any failure on our part to service the principal or interest obligations in a timely manner, or to maintain the prescribed financial ratios and security coverage, or to adhere to other restrictive conditions, may result in an event of default leading to levy of penal interest, acceleration of loans, invocation of securities and enforcement of corporate/personal guarantees. Further, since a significant portion of our borrowings is at floating rates linked to repo rate, any sharp rise in interest rates will increase our finance costs and adversely impact profitability.

In case we are unable to generate sufficient operating cash flows, refinance existing debt on favourable terms or raise additional debt/equity funding when required, it may adversely affect our liquidity position, restrict future growth plans and constrain our ability to meet debt servicing obligations.

However, post implementation of the resolution plan under the new management of Egale Group, we have a significantly cleaner and sustainable balance sheet, restructured debt with longer repayment tenure and lower interest rates, restored banking relationships and stronger financial discipline. We are also focused on improving capacity utilisation, shifting product mix towards higher-margin value-added yarns, reducing power and conversion costs and generating healthy operating cash flows, which will enable us to comfortably service our debt obligations and progressively deleverage the balance sheet in the coming years.

**17. The Company relies on a few key creditors for a significant portion of its raw material and input requirements. Any disruption in supply from these major creditors, price volatility, or unfavorable changes in terms could adversely impact our production, cost structure, and operational efficiency.**

We procure essential raw materials and inputs, such as purified terephthalic acid, monoethylene glycol, and other chemicals, from a broad network of domestic and international suppliers to support the manufacturing of our products including Polyester Chips, Partially Oriented Yarn, Fully Drawn Yarn, Texturised Yarn, Dope-Dyed Yarn, Cationic Yarn, and other Value-Added Yarns. However, a substantial part of our total procurement value is sourced from a limited number of key creditors.

Although we have established long-term relationships with most of these suppliers, our purchases are generally made on a purchase order basis without long-term or exclusive supply agreements. There is no guarantee that these creditors will continue to supply materials at current volumes, prices, or quality levels, particularly if they encounter production issues, regulatory changes, or shifts in their business priorities.

| Particulars                              | For the period ended 30.09.2025 |                      | 2024-2025 |                      | 2023-2024 |                      | 2022-2023 |                      |
|--|---------------------------------|----------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|
|  | creditors                       | % of total creditors | creditors | % of total creditors | creditors | % of total creditors | creditors | % of total creditors |
| Top ten Trade Payables (Amount in lakhs) | 12,686.42                       | 93.34                | 12,581.87 | 95.05                | 2,294.61  | 43.47                | 1,667.79  | 43.42                |

The loss of one or more major creditors, sudden supply shortages, delays in deliveries, or imposition of higher prices could lead to production halts, increased costs, and reduced profitability. Furthermore, if these suppliers experience financial distress, geopolitical tensions, or supply chain disruptions, it may force us to source alternatives at short notice, potentially on less favorable terms.

Given that our manufacturing operations run continuously with high fixed costs, any interruption in raw material supply from key creditors could result in underutilization of capacity, inventory shortages for finished goods, and inability to meet customer commitments, thereby affecting sales and market reputation.

To address this risk, the Company strives to expand its supplier network across geographies, qualify alternative sources for critical inputs, negotiate favorable terms through bulk purchasing, and maintain strategic inventory buffers. We also participate in industry forums, monitor supplier performance, and invest in backward integration where feasible to enhance supply chain resilience.

**18. We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. We are yet to place orders for 100% of the solar power plant, as specified in the Objects of the Issue chapter. Any delay in procurement of such solar power system may delay the schedule of implementation and may also lead to increase in cost of this solar power system, further affecting our revenue and profitability.**

Although we have identified the installation of solar power plant required. However, we are yet to place orders for 100% installation of solar power plant worth ₹ 2,200.00 Lakhs as detailed in the “*Objects of the Issue*” on page no 61 of this draft offer document. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the issue and have relied on the quotations received from

third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. Delay in procurement of the same can cause time and cost overrun in the implementation of our proposed expansion and can also compel us to buy the same at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

**19. Our products are subject to frequently changing customer preferences, specifications and fashion trends. Our inability to accurately anticipate or quickly adapt to such changes may adversely affect our business and profitability.**

The synthetic textile industry is highly fashion-driven and customer requirements with respect to denier, lustre, cross-section, dyeability, functional properties, colour shades and yarn types keep changing rapidly. Our customers comprising weavers, knitters, fabric processors and garment manufacturers frequently demand new and innovative products such as dope-dyed yarns, cationic-dyeable yarns, bright/trilobal FDY, micro-filament yarns, high-tenacity yarns and other value-added specialty yarns to meet the evolving needs of the apparel, home-textile and technical-textile segments.

Our inability to correctly forecast emerging trends, develop new products in time or modify existing lines as per latest customer specifications may result in lower offtake, pile-up of slow-moving or non-moving inventory, forced discounting and erosion of margins. Conversely, delay in introducing new value-added products may lead to loss of customers to more agile competitors.

We rely on continuous market feedback, close interaction with existing customers, participation in textile fairs and in-house product development efforts to identify upcoming trends and introduce new varieties.

However, there can be no assurance that our judgement regarding future demand will always be accurate or that we will be able to develop and commercialise new products within the desired time frame and at competitive costs.

We are currently expanding our capacity to manufacture value-added and specialty yarns. The success of this expansion will largely depend on our ability to correctly anticipate market requirements and produce yarns that meet the exacting quality and performance standards of customers.

However, we continuously strive to mitigate this risk by maintaining a dedicated product development cell, investing in latest testing and trial facilities, strengthening our marketing and technical service teams, and regularly launching new variants of dope-dyed, cationic, bright, trilobal and functional yarns so as to broaden our product portfolio, reduce dependency on standard products and stay ahead of changing customer preferences.

**20. Limited operating history under the new management and recent change in control may not serve as an adequate basis to evaluate our future prospects, results of operations, and cash flows.**

The management and control of Sumeet Industries Limited was taken over by M/s Egale Group pursuant to the resolution plan approved by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench, vide its order dated 16-07-2024. Consequently, the Company has a very limited operating history under the current management and ownership structure.

Although the Company itself has been in existence since 1988 and has a long track record of manufacturing polyester and polypropylene yarns, the recent change in control through the Corporate Insolvency Resolution Process (CIRP) marks a significant shift in strategic direction, management team, governance practices, operational priorities, and financial structure. The new parent has limited prior experience of managing and operating the Company's existing integrated manufacturing facility at Karanj, Surat, which encompasses the entire value chain from polymerisation to partially oriented yarn (POY), fully drawn yarn (FDY), texturised yarn, dope-dyed yarn, cationic yarn, micro-filament yarn, and textile-grade PET chips.

Given the very short operating track record of the Company under the present ownership and management (less than 18 months), historical financial and operational performance prior to the takeover may not be fully representative of future performance. The limited post-resolution operating history may therefore not provide an adequate basis for investors to evaluate our future prospects, results of operations, cash flows, ability to successfully integrate and execute the ongoing expansion, or the long-term sustainability of the turnaround strategy implemented under the approved resolution plan. Accordingly, period-to-period comparisons of our operating results, particularly those including periods before and after the change in control, should not be relied upon as an indication of our future performance.

**21. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.**

We have entered into certain transactions with related parties and may continue to do so in future. For further details, please see the section titled “*Financial Information*” on page no. 76. Our Company has entered into such transactions due to easy proximity and quick execution. Additionally, our Company believes that all our related party transactions have been conducted on an arm’s length basis and were/are in compliance with all applicable laws and regulations for the time being in force. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the SEBI LODR Regulations.

**22. Our business is working-capital intensive and any discontinuation, reduction or delay in availability of adequate working capital limits on favourable terms may adversely affect our operations, profitability and growth prospects.**

We have a continuous polymerization plant manufacturing polyester chips, POY, FDY, texturized yarns and value-added specialty yarns. The nature of our business requires maintenance of substantial working capital on an ongoing basis primarily due to high inventory levels of raw materials (PTA & MEG) to guard against price volatility and supply disruptions, and for holding adequate stock of finished goods to meet timely delivery commitments to customers. Accordingly, a significant portion of our total borrowing limits comprises fund-based and non-fund-based working capital facilities from banks..

Any delay in renewal or assessment of limits, reduction in sanctioned amounts, increase in margin or interest rates, imposition of stricter conditions, or delayed/non-disbursement of sanctioned facilities may create liquidity constraints, force us to curtail production, delay dispatches or resort to costlier sources of funds. Inability to finance our day-to-day working capital requirements adequately and in a timely manner would hamper smooth operations, restrict sales growth and adversely impact on our profitability.

However, we continuously endeavor to optimize working capital usage by improving inventory turnover ratios, close monitoring of receivables, negotiating favorable terms with suppliers and customers, and maintaining strong banking relationships so as to ensure uninterrupted availability of adequate working capital at competitive costs.

**23. Our inability to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required for our manufacturing operations may have a material adverse effect on our business, results of operations and financial condition.**

We are engaged in the continuous manufacturing of polyester chips, POY, FDY, Texturized yarns and value-added synthetic yarns at our integrated plant at Karanj, Surat. Our operations require us to obtain and keep in force various statutory and regulatory approvals, licenses, registrations and permissions under environmental, factories, labour, fire safety, electricity, pollution control, explosive, weights & measures and other applicable laws. These include, among others, Consent to Establish and Consent to Operate from GPCB, Factory License, hazardous waste authorisation, fire NOC, boiler licenses, electrical approvals and periodic calibrations.

Many of these approvals are granted for a limited duration and need to be renewed from time to time. Some approvals also contain certain conditions that we are required to comply with on an ongoing basis. There can be no assurance that the relevant authorities will renew such approvals in a timely manner or at all, or that we will continue to satisfy all prescribed conditions. Any delay, refusal or imposition of onerous conditions at the time of renewal may force us to temporarily suspend or curtail plant operations.

Further, changes in environmental or pollution control norms, introduction of stricter emission or effluent standards, or amendments in applicable laws may require us to incur substantial additional capital expenditure or operating costs to upgrade our facilities. Failure to comply with existing or new regulatory requirements may attract heavy penalties, prosecution, revocation of licenses or even closure of the plant by the authorities.

**24. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.**

Our Company proposes to utilize the Net Proceeds for 19,487.22. Our proposed deployment of Net Proceeds has not been appraised by a public financial institution or a scheduled commercial bank and is based on management estimates.

**25. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.**

SEBI and the Stock Exchanges, in order to enhance market integrity and safeguard the interests of investors, have introduced various pre-emptive surveillance measures. These measures are intended to alert and advise investors to exercise caution while dealing in securities and to require market participants to conduct necessary due diligence. Such measures include, inter alia, the Graded Surveillance Measure and the Additional Surveillance Measure, which are imposed based on objective parameters such as price and volume variation, volatility, market capitalization, trading activity and other surveillance concerns.

As on the date of this Offer Document, the Equity Shares of the Company are placed under ASM LT Stage I on both the stock exchanges. ASM LT Stage I entails enhanced regulatory and surveillance restrictions, which may include, inter alia, requirement of higher margins, settlement of trades on a trade-for-trade basis without netting off, limitation on trading frequency, and price band restrictions, as may be prescribed by the Stock Exchanges from time to time. Further, the Equity Shares are displayed on the surveillance dashboards of the Stock Exchanges, which may impact investor perception and trading activity.

On listing, and thereafter, the market price and trading volume of our Equity Shares may be subject to significant fluctuations due to general market conditions, volatility in Indian and global securities markets, our financial performance, performance of competitors, changes in investor sentiment, or political, economic and regulatory developments. The continued applicability of ASM LT Stage I or any further surveillance action by SEBI or the Stock Exchanges may restrict trading liquidity in our Equity Shares.

The imposition and continuation of ASM LT Stage I restrictions may have an adverse effect on the market price, trading volume and liquidity of our Equity Shares and may disrupt the development of an active and liquid market for our Equity Shares. There can be no assurance as to when or whether the Equity Shares will be moved out of ASM LT Stage I and investors may face difficulty in buying or selling the Equity Shares during the period such surveillance measures remain in force.

**26. Our inability to raise further capital or additional debt on acceptable terms may adversely affect our business, results of operations and financial condition. Further, adverse movement in interest rates may impact our finance costs and profitability.**

We require substantial working capital for our day-to-day operations in polyester yarn and chips manufacturing, including procurement of raw materials, maintenance of inventory levels, and meeting operational expenses. Our ability to fund such working capital requirements depends upon adequate

internal accruals and timely availability of additional debt or equity funding from banks, financial institutions or capital markets.

Our capacity to obtain fresh funding and the cost of such funding are influenced by several factors including our financial performance, credit ratings, prevailing economic and money-market conditions, lending policies of banks towards the textile sector, and general investor sentiment. There can be no assurance that we will always be able to raise additional finance when required, or that such finance will be available on commercially acceptable terms.

A substantial portion of our existing and future borrowings carry floating interest rates. Any sharp upward movement in interest rates will increase our interest outflow, thereby reducing net profit margins and cash flows.

In the event of breach of financial or other covenants contained in our loan agreements, lenders may levy penal interest, accelerate repayment schedules, enforce securities or declare an event of default. Such actions could restrict our liquidity, force distress sale of assets or limit our ability to raise further funds. During any period of default, fresh financing or refinancing may become available only at significantly higher costs and with more restrictive conditions.

However, we continuously monitor our funding requirements, maintain healthy relationships with multiple banks and financial institutions, and strive to improve profitability and credit profile so as to ensure continued availability of funds at competitive rates for meeting our operational and debt repayment objectives.

**27. Our Promoters have provided personal guarantees in connection with our borrowings. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by them in connection with our borrowings.**

Our Promoters have provided personal guarantees in connection with certain of our financing arrangements. There can be no assurance that our Promoters will continue to provide such personal guarantees for our debt facilities in the future or that our lenders will continue to extend our current or comparable financing arrangements in the absence of such personal guarantees from our Promoters. Our ability to service our debt obligations will depend entirely on the cash flow generated by our business in the future. In addition, in the event that any personal guarantees provided by our Promoters are invoked and the Promoters are not able to meet their guarantees' requirements, then legal proceedings may be initiated against them, and they may not be able to effectively manage the operations of our Company.

**28. Any inadequacy or lapse in our internal control systems may have an adverse effect on our business, results of operations and financial condition.**

We are responsible for establishing and maintaining adequate internal control measures commensurate with the size and complexity of our operations. Our internal audit functions are equipped to make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal control guidelines. We are exposed to operational and financial risks arising from the potential inadequacy or failure of internal processes or systems in our polyester yarn and chips manufacturing business, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness.

For example, in our polyester manufacturing operations, a failure in internal controls may lead to errors in raw material inventory management (PTA & MEG), production inefficiencies due to machinery breakdowns, quality deviations in POY/ FDY/ Texturized yarns, or inaccuracies in captive power consumption tracking. Such failures could result in financial misstatements, delayed order fulfilment,

increased costs, or discrepancies in customer or regulatory data, all of which could adversely affect our business operations and customer relationships.

Failures or material weaknesses in internal controls may lead to incidents of fraud.

We cannot assure you that we will be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, cash flows, results of operations and financial condition.

**29. Our business may suffer significant harm if we cannot secure and maintain intellectual property rights over the Company's name.**

Our Company operates under the name & logo "**Sumeet**", which is currently not registered as a trademark in the name of our Company. While we have intend to apply for registration of our Company's name and logo with the relevant trademark authorities, there is no assurance that such registration will be granted. If we are unable to secure trademark registration for the name "Summit" under the applicable class, our Company may not be able to effectively enforce or protect its intellectual property rights in respect of its trade name and brand identity. In the absence of a registered trademark, our Company may be unable to avail itself of the statutory protections available under the Trademarks Act, 1999, which are ordinarily granted to registered trademark holders. This could have a significant adverse impact on our business, reputation, and goodwill, and may in turn negatively affect our operational and financial results.

Furthermore, there exists a risk that a third party may apply for and obtain trademark registration for the same name and/or style under the relevant class of goods or services. In such an event, our Company's continued use of the name could be legally challenged by such third party, potentially restricting or restraining our ability to operate under our existing trade name. This could lead to rebranding costs, loss of brand recognition, disruption to business operations, and damage to our established reputation and goodwill. It is pertinent to note that while our Company does hold a registered trademark for the name "SIMILON" in Class 23 since 1993 for the sale of its products, the said registration does not extend to or cover the trade name "Summit". Accordingly, the protections afforded under the SIMILON trademark registration cannot be relied upon to safeguard our rights in the name of the Company.

**30. Our Directors and Promoters are interested in our business apart from reimbursement of expenses incurred or normal remuneration or benefits.**

Our Directors and Promoters may be interested in our business, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company and in relation to certain transactions entered into with our Promoters. We cannot assure you that such Directors or Promoters will exercise their rights as shareholders to the benefit and best interest of our Company.

**31. We do not have long-term commitments with our customers and our customers may terminate contracts before completion, negotiate adverse terms of the contract or choose not to renew contracts, which could materially adversely affect our business, cash flows, financial condition and results of operations.**

A substantial portion of our revenues is generated from repeat business. Our engagements with our customers are typically for projects that are singular in nature. Even if we successfully deliver contracted services and maintain close relationships with our customers, several factors outside of our control could cause the loss of reduction in business or revenue from our existing customers. These factors include, among other things:

- The business or financial condition of that customer or the economy;
- Changes in the personnel at our customers who are responsible for procurement or with whom we primarily interact;
- A demand for price reductions by that customer;
- Mergers, acquisitions or significant corporate restructurings involving that customer;
- A decision by that customer to move work in-house or to one or several of our competitors.

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**32. We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.**

The industry in which we operate is highly and increasingly competitive due to presence of many players in sector. Our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**33. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.**

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delays in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**34. Internal or external fraud, dishonesty, or misconduct by our personnel could have a negative impact on our reputation and financial results.**

Misconduct by our employees could bind us to transactions that exceed authorized limits or present unacceptable risks, and our employees could conceal unauthorized or unlawful activities from us. Employee misconduct could also involve front-running in securities markets or the improper use or disclosure of confidential information or non-compliance with insider trading rules, which could result in regulatory sanctions and serious reputational or financial harm.

It is not always possible to deter fraud or misconduct by employees, and the precautions we have taken and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of fraud or misconduct could adversely affect our reputation, business, results of operations, and financial condition.

**35. Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance, and results of operations.**

We are dedicated to earning and maintaining the trust and confidence of our customers and we believe that a good reputation is essential to our business. The reputation of our Company could be adversely affected by any threatened and/or legal proceedings and/or any negative publicity or news articles in connection with our Company. As such, any damage to our reputation could substantially impair our ability to maintain or grow our business. If we fail to maintain brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, our market perception and customer acceptance of our brands may also decline.

**36. We may not be successful in implementing our business strategies.**

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully implemented our business strategies in the past,

there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations.

**37. Any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.**

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our information technology systems include multiple applications and other systems that allocate resources and facilitate internal and external communications, enabling us to coordinate and make quick decisions across our business. In our customer engagements, we collect, process, store, use, transmit and have access to confidential information. Our computer networks may be vulnerable to unauthorised access, computer hackers, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party vendors.

Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business. Interruptions or performance problems associated with our technology and infrastructure may harm our business and results of operations.

**38. Delays or defaults in client payments could result in a reduction of our profits.**

We may be subject to working capital shortages due to delays or defaults in payments by clients. If clients default in their payments in due time to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

**39. Potential conflict of interest of the Promoters or directors of the Issuer if involved with one or more ventures which are in the same line of activity or business as that of the Issuer.**

A conflict of interest may occur between our business and the business of such ventures in which our Promoters, our directors and related entities are involved with, which could have an adverse effect on our operations. Conflicts of interest may also arise out of common business objectives shared by us, our Promoters, Directors and related entities. Our Promoters, our directors and related entities may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

**40. Interests of the Promoters, Directors or Key Management Personnel of the Issuer, other than reimbursement of expenses incurred or normal remuneration or benefits. Any portion of the issue proceeds that is proposed to be paid by the Issuer to the promoter, directors or key managerial personnel of the Issuer.**

Our Promoters are interested in our Company to the extent of being the Promoters of our Company and to the extent of their shareholding and dividends payable to them, if any. Certain of our Directors and Key Management Personnel may be regarded as interested to the extent of, among other things, remuneration, sitting fee, commission, performance bonus, long term incentives, and other perquisites.

**41. Limited or Sporadic trading of any specified securities of the Issuer on the Stock Exchanges.**

Prior to the Rights Issue, there has been infrequent public market for the Equity Shares and an active public market for the Equity Shares may not develop or be sustained after the Rights Issue. Listing and quotation do not guarantee that a trading market for the Equity Shares will develop or, if a market does

develop, the liquidity of that market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

**42. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.**

Our manufacturing operations at the integrated facility are inherently subject to various risks that may negatively impact our profitability, including fire and explosion hazards in polymerization and spinning units, breakdown or damage to imported high-speed, loss or damage to raw material stocks, finished goods, third-party liability claims, accidents involving plant personnel, and natural disasters such as floods or cyclones affecting the coastal Gujarat region. While we have obtained a comprehensive all-risk insurance policy covering entire plant & office as well as group insurance cover for all employees under a policy. We cannot guarantee that such coverage is adequate or comprehensive against all potential losses, or that premiums will remain affordable in the future.

Any failure to renew these policies on similar terms, increase in insurance premiums due to rising claims or risk assessments, exclusion of certain perils under the policy terms, or occurrence of an uninsured event could expose us to significant financial liabilities. For instance, a major fire in the continuous polymerization plant or damage to captive power generation equipment's could lead to prolonged production halts, inventory losses and repair costs that would need to be borne entirely by us, thereby adversely affecting our operations, cash flows and profitability.

However, we regularly review and assess our insurance requirements in consultation with professional advisors to ensure optimal coverage commensurate with the scale and nature of our risks. We also maintain robust safety protocols, fire-fighting systems, preventive maintenance schedules and employee training programs to minimize the likelihood of insurable events and keep insurance costs under control.

**43. Our growth will depend on our ability to build our brand and failure to do so will negatively impact on our ability to effectively compete in this industry.**

We believe that we need to continue to build our brand, which will be critical for achieving widespread recognition of our products. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high-quality services. The brand promotion activities that we may undertake may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

**44. Dividend declaration by the Company in the future will depend upon earnings, financial condition, cash flows, working capital requirements, capital expenditure, and restrictive covenants in our financing arrangements.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, the realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

**45. Our Promoters will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters**

Upon completion of this Issue of upto [●] Equity Shares, our Promoters will continue to own a majority of our Equity Shares i.e. approximately [●] % of the total post-offer paid up capital. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval

requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

## **ISSUE SPECIFIC RISKS**

### **46. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.**

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

### **47. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.**

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

### **48. SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021, and May 19, 2022, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.**

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021, and May 19, 2022, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, please refer the section titled '*Terms of the Issue*' on page no. 88.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

**49. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.**

We propose to utilize the Net Proceeds to repay, in full or in part, identified unsecured loan and long-term working capital requirement. For further details of the proposed objects of the Issue, please refer chapter titled "*Objects of the Issue*" on page no. 61. In case of any exigencies arising out of business conditions, economic conditions, competition, or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure which cannot be determined with certainty as on the date of the draft Letter of Offer. In terms of the SEBI (ICDR) Regulations and the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in draft Letter of Offer without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilization of the Net Proceeds disclosed in draft Letter of Offer, we cannot assure that we will be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the draft Letter of Offer, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**50. Our company will not distribute the Draft Letter of Offer, Letter of Offer and application form to certain overseas Shareholders who have not provided an address in India for service of documents.**

Our Company will dispatch the Letter of Offer, Rights Entitlement Letter and Application Form to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

**51. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.**

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the Rights to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**52. Any sale of Equity Shares by our Promoters may adversely affect the trading price of the Equity Shares.**

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Any perception by investors that such

issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**53. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.**

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a Stock Exchanges held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic Stock Exchanges on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized Stock Exchanges and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For more details, please refer to '*Statement of Tax Benefits*' on page no. 70 of this Draft Letter of Offer.

**54. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.**

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

**55. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.**

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

**56. In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.**

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the section titled '*Objects of the Issue*' on page no. 61. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**57. Investors will be subject to market risks until the Issue Shares credited to their demat accounts are listed and permitted to trade.**

Investors can start trading the Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Issue Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Issue Shares allocated to an Investor will be credited to the Investor's demat account or that trading in the Equity Shares will commence in a timely manner.

## **EXTERNAL RISK FACTORS**

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

Global economic and geopolitical factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**59. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.**

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**60. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.**

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may have to incur costs or may be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**61. Natural calamities could have a negative impact on the Indian economy and cause the Company's business to suffer.**

Our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**62. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.**

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**63. Taxes and other levies imposed by the Government of India or other State Governments and any other statutory authorities, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.**

Taxes and other levies imposed by the Central or State Governments and any other statutory authorities in India that affect our industry include:

- Custom duties (including anti-dumping duties, etc.) on imports of products
- Goods and Service Tax
- Direct Taxes

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**64. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.**

The outbreak or threat of any severe epidemic, such as the Novel Coronavirus, could negatively impact business sentiment and the overall environment, especially if not adequately controlled. The spread of such diseases may disrupt the operations of our customers and suppliers, adversely affecting our business, financial condition, and results. Measures implemented by authorities including travel restrictions, quarantines, and shutdowns have already affected our workforce, operations, and those of our partners. Significant medical uncertainty persists, and the absence of a certified treatment or vaccine increases the risk of prolonged disruption. A surge in severe cases or premature lifting of restrictions could cause major economic harm in India and globally. Our ability to meet disclosure obligations may also be impacted. Suspected infections among employees could require quarantines or facility disinfection. Overall, epidemics or similar events may adversely affect our revenue and profitability by harming broader economic conditions

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events, and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but

there can be no assurance that this analysis will enable us to avoid part or all any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

**65. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.**

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition.

**66. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**67. The extent and reliability of Indian Infrastructure could adversely affect the Company's results of operations and financial condition.**

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt the Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**68. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.**

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our

rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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## SECTION IV - CONFIRMATIONS

### COMPLIANCE WITH THE SEBI (LODR) REGULATIONS, 2015

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1) (a) of the SEBI (ICDR) Regulations, our Company will make applications to the Stock Exchanges for in-principle approvals for listing of the Rights Equity Shares to be issued pursuant to the Issue.

Company has paid the outstanding SOP and Annual listing fees dues, however as on date of the draft filing Letter of offer there is no dues pending and Company is in compliance with the equity listing agreement entered into with the Stock Exchanges and the SEBI LODR Regulations.

Except as disclosed below following approval of the resolution plan, as on the date of filing of this Draft Letter of Offer, neither any show-cause notices nor proceedings for imposition of penalty, have been issued by SEBI and are pending against our Company, our Promoters or Directors.

The company received notices from BSE dated March 17, 2025, and NSE dated July 18, 2025, citing non-compliance with Standard Operating Procedures regarding the composition of its audit committee, nomination and remuneration committee, and stakeholder relationship committee; each notice imposed a fine of Rs. 56,640/-. NSE further issued a notice on October 30, 2025, and BSE on November 11, 2025, for the Company's failure to submit its annual report within the stipulated timeframe, with each exchange levying a fine of Rs. 4,720/-. As of the current date, the company has paid all these fines in full.

### REDRESSAL OF INVESTOR COMPLAINTS

The Company has redressed all the complaints received from the investors until the end of the quarter immediately preceding the month of the date of filing this Draft Letter of Offer.

### DETAILS OF POTENTIAL ADVERSE IMPACT

As of the date of this draft offer document, there is no potential adverse impact on the Issuer Company, its existing directors, or promoters. Moreover, proceedings under the Insolvency and Bankruptcy Code involving the Company have been completed.

### SUSPENSION OF TRADING IN EQUITY SHARES OF THE COMPANY ON ACCOUNT OF DISCIPLINARY REASONS

The trading of the Equity Shares of the Company has not been suspended due to any disciplinary action in the three years immediately preceding the date of filing this Draft Letter of Offer. However, the Securities of the Company have been subject to proceedings under the Insolvency and Bankruptcy Code during the past three years.

*Note: As stated in the "Outstanding Litigations, Defaults and Material Developments" section on page no. 78 of the offer document, all past dues owed to government and statutory authorities stand extinguished pursuant to the approval of the Resolution Plan under the Insolvency and Bankruptcy Code by the Hon'ble NCLT dated 16.07.2024.*

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## SECTION V – INTRODUCTION

### THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on January 19, 2026, in pursuance of Section 62 and other applicable provisions of the Companies Act, 2013. The Draft Letter of Offer has been approved by our Board of Directors, at the meeting held on March 17, 2026. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Board of Directors at their meeting held on [●]. The Letter of Offer has been approved by our Board of Directors, at the meeting held on [●].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled '*Terms of the Issue*' on page no. 88.

|   |  |
|---|--|
| <b>Equity Shares Outstanding Prior to the Issue</b>   | 52,63,25,680 Equity Shares   |
| <b>Rights Equity Shares Offered in The Issue</b>  | Up to [●] Rights Equity Shares   |
| <b>Equity Shares outstanding after the Issue (Assuming full subscription for and allotment of the Rights Entitlement)</b> | [●] Equity Shares  |
| <b>Rights Entitlement</b>   | [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date   |
| <b>Record Date</b>  | [●]  |
| <b>Face Value Per Equity Share</b>  | ₹ 2/- each   |
| <b>Fractional Entitlement</b>   | For details in relation fractional entitlements, see ' <i>Terms of the Issue</i> ' on page no. 88 of this Draft Letter of Offer.                                   |
| <b>Issue Price Per Equity Share</b>   | ₹ [●]/- each   |
| <b>Issue Size</b>   | Up to [●] fully paid Equity Shares of face value of ₹ 2/- each for cash at a price of ₹ [●]/- per Rights Equity Share aggregate an amount up to ₹ 19,987.22 lakhs. |
| <b>Terms of The Issue</b>   | Please refer to the section titled ' <i>Terms of the Issue</i> ' on page no. 88.   |
| <b>Use of Issue Proceeds</b>  | Please refer to the section titled ' <i>Objects of the Issue</i> ' on page no. 61.   |
| <b>Security Code/ Scrip Details</b>   | <b>ISIN:</b> INE235C01036<br><b>BSE Scrip Code:</b> 514211<br><b>NSE Script Name:</b> SUMEETINDS<br><b>ISIN for Rights Entitlements:</b> [●]                       |

### TERMS OF PAYMENT

| Amount payable per rights equity share | Face Value | Premium    | Total      |
|--|------------|------------|------------|
| On Application                         | 2/-        | [●]        | [●]        |
| <b>Total</b>                           | <b>2/-</b> | <b>[●]</b> | <b>[●]</b> |

### ISSUE SCHEDULE

|  |     |
|--|-----|
| <b>Issue Opening Date</b>                              | [●] |
| <b>Last date for On Market Renunciation of Rights*</b> | [●] |
| <b>Issue Closing Date**</b>                            | [●] |

\*Eligible Equity Shareholders are requested to ensure that renunciation through off- market transfer is completed in such manner that the Rights Entitlement are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

\*\*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.

**GENERAL INFORMATION**

Our Company was initially established as "Sumeet Synthetics Private Limited" under the Companies Act, 1956, and received its Certificate of Incorporation from the Registrar of Companies, Gujarat, on August 01, 1988. Following its conversion to a public limited company, the name was changed to "Sumeet Synthetics Limited," with a fresh Certificate of Incorporation issued by the Registrar of Companies, Gujarat, on February 26, 1992. Subsequently, the name of the Company was changed to its name to "Sumeet Industries Limited," vide a fresh Certificate of Incorporation dated September 1, 1996, issued by the Registrar of Companies, Gujarat. The Company has come out with Initial Public Offering in 1993, listing its equity shares on the Bombay Stock Exchange and the Baroda Stock Exchange. The shares were later delisted from the Baroda Stock Exchange effective January 09, 2007. The Company was further listed on the National Stock Exchange of India Limited on December 10, 2010. As of now, the Shares of the Company on both the BSE and the NSE. The corporate identification number of our Company is L45200GJ1988PLC011049.

**REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY****SUMEET INDUSTRIES LIMITED**

**Registered Office:** 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat

**Contact No.:** 0261 2328902

**Email id:** [corporate@sumeetindustries.com](mailto:corporate@sumeetindustries.com)

**Website:** [www.sumeetindustries.com](http://www.sumeetindustries.com)

**CIN:** L45200GJ1988PLC011049

**Registration No.:** 011049

**REGISTRAR OF COMPANIES****THE REGISTRAR OF COMPANIES, GUJARAT**

**Address:** ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

**Contact No.:** 079-27437597

**Email id:** [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

**BOARD OF DIRECTORS OF OUR COMPANY**

| Name                      | Designation          | DIN      | Address   |
|---------------------------|----------------------|----------|---|
| Radheshyam Bhawarlal Jaju | Chairman & Director  | 00789902 | 730, Aashirvad Palacs, Bhatar Road, Bhatar, Surat - 395007                                |
| Pratik Rajesh Jaju        | Managing Director    | 01899119 | F-1002, Rajhans Royalton, Vesu Canal Road, Vesu, Surat -395007                            |
| Ankita Siddharth Shah     | Independent Director | 10724963 | B-801, Titanium Tower, Sahakar Nagar, J. P. Road, Andheri (W), Mumbai- 400053             |
| Rohan Dipakbhai Modh      | Whole-time director  | 10595328 | G-2, 1001 , Happy Excellencia, Opp. Jolly Party Plot, Udhna, Magdalla Road, Surat -395007 |
| Prachi Ankur Gandhi       | Independent Director | 06936663 | F3, Avenue 77, beside LP Savani Academy, G D Goenka Canal Road, Vesu, Gujarat – 395007    |
| Saurav Santosh Dugar      | Independent Director | 08937448 | Block - 501, Shrungal Palace, Opp. Dmart, Nr. Althan Pandesara Bridge, Surat - 394221     |

For further details of our Board of Directors, please refer to the section '*Our Management*' on page no. 71.

**COMPANY SECRETARY AND COMPLIANCE OFFICER****ANIL KUMAR SUMERMAL JAIN**

**Address:** 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat

**Contact No.:** 0261 2328902

**Email id:** [corporate@sumeetindustries.com](mailto:corporate@sumeetindustries.com);

Investors may contact Compliance Officer or Registrar to the Issue for any pre-issue/post-issue related matters such as non-receipt of letters of allotment/share certificates/refund orders, etc. All grievances relating to the

ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs for grievances related to ASBA, giving full details such as name, address of the applicant, e-mail id of the first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA account number and the Designated Branch of the SCSBs where the plain paper application was submitted by the ASBA Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For further details on the ASBA process, please refer to the section titled “*Terms of the Issue*” on page no. 88 of this Draft Letter of Offer.

#### CHIEF FINANCIAL OFFICER

##### **ABHISHEK MAHENDRA PRASAD**

**Address:** 504, Trividh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat

**Contact No.:** 0261 2328902

**Email id:** [corporate@sumeetindustries.com](mailto:corporate@sumeetindustries.com)

#### REGISTRAR TO THE ISSUE

##### **BIGSHARE SERVICES PRIVATE LIMITED**

**Address:** Office No S6-2, Pinnacle Business Park, 6th, Mahakali Caves Rd, next to Ahura Centre, Shanti Nagar, Andheri East, Mumbai, Maharashtra - 400093

**Contact No.:** 022- 62638200

**Email id:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

**Investor Grievance Email id:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Mr. Suraj Gupta

**SEBI Registration No.:** INR000001385

**CIN:** U99999MH1994PTC076534

#### BANKER TO THE ISSUE/ REFUND BANK

##### **AXIS BANK LIMITED**

**Address:** Ground Floor Shop No 6-7, Universal Business Center, Adajan, Nr. Madhuvan Circle, LP Savani Road, Surat, Gujarat. India – 395009.

**Branch:** Savani Road branch

**Contact Person Name:** Mr. Hiren Zala

**Contact No.:** 9898728442

**Email id:** [brhd4630@axisbank.com](mailto:brhd4630@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

**SEBI Registration No.:** INBI00000017

#### BANKERS OF OUR COMPANY

##### **AXIS BANK LIMITED**

**Address:** Axis Bank, Cbg Centre, Ground Floor Status-C Building, Near Regency Tower, Gaurav Path, Piplod, Surat, Gujarat. India - 395007

**Branch:** Piplod branch

**Contact Person Name:** Mr. Kalpesh P Navlakha

**Contact No.:** 91-8980257505

**Email id:** [customser.service@axisbank.com](mailto:customser.service@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

#### STATUTORY AUDITOR OF OUR COMPANY

##### **M/S. HTKS & CO.**

Chartered Accountants

**Address:** "Tosniwal House", 2-367/368, Moto Dastur Mohallo, Near Parsi Library, Rustampura, Surat

**Contact No.:** 0261-2328606

**Email id:** [harishankartosniwal@gmail.com](mailto:harishankartosniwal@gmail.com)

**Contact Person:** Richa Toshniwal

**Membership No.:** 188249  
**Firm Registration No.:** 111032W  
**Peer Review Certificate No:** 016517

### CHANGE IN THE STATUTORY AUDITORS DURING LAST 3 YEARS

There has been no change in our statutory auditors in the three years preceding the date of this Draft Letter of Offer

### EXPERT

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

Our Company has received a written consent from our Statutory Auditors, M/s. HTKS & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an ‘expert’, as defined under applicable laws, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the Statement of Special Tax Benefits dated February 27, 2026 included in this Draft Letter of Offer and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

### SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

### ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

|   |     |
|---|-----|
| <b>Last Date for credit of Rights Entitlements</b>                  | [●] |
| <b>Issue Opening Date</b>   | [●] |
| <b>Last Date for On Market Renunciation of Rights Entitlements#</b> | [●] |
| <b>Issue Closing Date*</b>  | [●] |
| <b>Finalization of Basis of Allotment (on or about)</b>             | [●] |
| <b>Date of Allotment (on or about)</b>                              | [●] |
| <b>Date of credit (on or about)</b>                                 | [●] |
| <b>Date of listing (on or about)</b>                                | [●] |

*#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;*

*\*Our Board or a duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date. The above schedule is indicative and does not constitute any obligation on our Company.*

Please note that if eligible Equity Shareholders holding Equity Shares in physical form as on Record Date or who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least [●] day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled ‘*Terms of the Issue*’ on page no. 88.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com) after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Shareholders' under the section titled '*Terms of the Issue*' on page no. 88.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

## CREDIT RATING

As this proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

## DEBENTURE TRUSTEE

As this proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

## MONITORING AGENCY

Our Company has appointed a monitoring agency, in accordance with Regulation 82 of the SEBI (ICDR) Regulations.

### CRISIL RATINGS LIMITED

**Address:** Crisil Limited, Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai – 400072

**Tel:** 022-33423000

**Email:** [crisilratingdesk@crisil.com](mailto:crisilratingdesk@crisil.com)

**Website:** [www.crisilratings.com](http://www.crisilratings.com)

**Contact Person:** Mr. Mudassar Shamim Patel

**SEBI registration number:** IN/CRA/001/1999

**CIN:** U67100MH2019PLC326247

## APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

## UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

## FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI (ICDR) Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3(b) of the SEBI (ICDR) Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

## MINIMUM SUBSCRIPTION

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of 90% of the Issue Size, or the subscription level falls below 90% of the Issue Size, after the Issue Closing Date on account of withdrawal of applications, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. In the event that there is a delay in making refund of the subscription amount by more than four days after our Company becomes liable to pay subscription amount or such other period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rate prescribed under applicable laws. The above is subject to the terms mentioned under "*Terms of the Issue*" on page no. 88 of this Draft Letter of Offer.

**ALLOTMENT OF UNDER-SUBSCRIBED PORTION OF THE RIGHTS ISSUE**

The under-subscribed portion of the Issue may be allotted to any specific investor(s) recognized by the Company. Name(s) of the specific investor(s), if any, shall be disclosed in a public advertisement two days prior to the Issue Opening Date.

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## CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

(Amount in ₹ Lakhs, except data relating to shares)

| Particular   | Aggregate Nominal Value | Aggregate Value at Issue Price |
|--|-------------------------|--------------------------------|
| <b>Authorized Equity Share capital</b>   |                         |                                |
| 72,50,00,000 Equity Shares of face value of ₹ 2 each                                       | 14,500.00               | -                              |
| 3,00,00,000 Optionally Convertible Redeemable Preference Shares of face value of ₹ 10 each | 3,000.00                | -                              |
| <b>Issued, subscribed and paid-up Equity Share capital before this Issue</b>               |                         |                                |
| 52,63,25,680 Equity Shares of face value of ₹ 2 each                                       | 10,526.51               | -                              |
| 2,80,00,000 Optionally Convertible Redeemable Preference Shares of face value of ₹ 10 each | 2,300.00                | -                              |
| <b>Present Issue in terms of this Draft Letter of Offer</b>                                |                         |                                |
| [●] Equity Shares of face value of ₹ 2 each  | [●]                     | [●] <sup>(b)</sup>             |
| <b>Issued, subscribed and paid-up Equity Share capital after the Issue</b>                 |                         |                                |
| [●] Fully Paid Equity Shares of face value of ₹ 2 each                                     |                         | [●]                            |
| <b>Subscribed and paid-up Equity Share capital</b>   |                         |                                |
| [●] Fully Paid Equity Shares of face value of ₹ 2 each                                     |                         | [●]                            |
| <b>Securities Premium Account</b>  |                         |                                |
| Before the Issue   |                         | 6,741.20                       |
| After the Issue  |                         | [●]                            |

**Notes:**

- (a) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on January 19, 2026.
- (b) Assuming full subscription for allotment of Rights Equity Shares;
- (c) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;
- (d) Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.

### NOTES TO THE CAPITAL STRUCTURE

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Rights Equity Shares and there are no outstanding Equity Shares having special voting rights;
4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ [●]/- (Rupees [●] Only);
5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

Except for 2,80,00,000 Optionally Convertible/Redeemable Preference Shares issued on a preferential basis to various creditors pursuant to the approved resolution plan dated 16/07/2024, which shall redeem within 700 days from the date of the resolution plan or convert into Equity Shares if not redeemed within

such period, as of the date of this Draft Letter of Offer, the Company has no outstanding warrants, options, or rights to convert debentures, loans, or other convertible instruments into Equity Shares.

## 6. Details of stock option scheme of our Company

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme.

## 7. Details of Equity Shares held by the Promoters including the details of lock-in, pledge of and encumbrance on such Equity Shares:

As of the date of this Draft Letter of Offer, the Equity Shares held by the Promoters are free from any lock-in, pledge, or encumbrance except details provided below:

| Sr. No. | Name of the Promoters     | Number of Equity Shares | Lock in upto |
|---------|---------------------------|-------------------------|--------------|
| 1.      | Radheshyam Bhawarlal Jaju | 1,25,00,000             | 25-07-2026   |
| 2.      | Pratik Rajesh Jaju        | 1,25,00,320             | 25-07-2026   |

## 8. Shareholding of Promoters

As of the date of this Draft Letter of Offer, the shareholding of the Promoters is as below:

| Sr. No. | Name of the Promoters     | Number of fully paid-up Equity Shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) |
|---------|---------------------------|--|---|
| 1.      | Radheshyam Bhawarlal Jaju | 1,25,00,000                                | 2.37  |
| 2.      | Pratik Rajesh Jaju        | 1,25,00,320                                | 2.38  |

## 9. Details of Equity Shares acquired by the Promoters in the last one year prior to the filing of the Draft Letter of Offer

| Sr. No. | Name of Promoters         | Date of Transaction | Nature of Transaction  | Number of Equity shares Acquired | % of Equity Shares Acquired | Number of equity shares Post-Transaction |
|---------|---------------------------|---------------------|--|----------------------------------|-----------------------------|--|
| 1.      | Radheshyam Bhawarlal Jaju | March 31, 2025      | Allotment of Equity Shares on a preferential basis pursuant to the implementation of the Resolution Plan | 25,00,000                        | 2.37                        | 25,00,000                                |
| 2.      | Pratik Rajesh Jaju        |                     |  | 25,00,000                        | 2.37                        | 25,00,064                                |

*Note: Pursuant to the Hon'ble National Company Law Tribunal's order dated July 16, 2024, the erstwhile promoters of the Company (namely the Somani family) have ceased to be promoters and are no longer part of the Promoters or Promoter Group following the takeover by new promoters. In relation to this matter, the Company filed an application with the stock exchanges and received approval for the reclassification of the erstwhile promoters and promoter group on January 28, 2026, from both exchanges. Further note that one year ago the face value of the Equity Shares was Rs. 10, whereas the current face value is Rs. 2.*

## 10. Intention and participation by the Promoters

Our Promoters and members of the Promoter Group have expressed dissent with respect to their intention to subscribe to this Rights Issue as on March 06, 2026, for this Rights Issue. Accordingly, their participation in the Issue, whether in full, in part, or by way of renunciation, is not expected.

The decision of the Promoter to abstain from participating in the Rights Issue is in line with the requirements laid down under the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), particularly Rule 19A(5), which mandates that listed companies must maintain a minimum public shareholding of 25%.

The Company had undergone a Corporate Insolvency Resolution Process (“CIRP”) under the provisions of the Insolvency and Bankruptcy Code, 2016, pursuant to which a Resolution Plan submitted by Eagle Group was approved by the Committee of Creditors and subsequently sanctioned by the Hon’ble National Company Law Tribunal, which resulted in a substantial acquisition of equity shares by the Resolution Applicant and a consequent increase in promoter shareholding. Pursuant to implementation of the approved Resolution Plan, the Promoter’s shareholding exceeded the prescribed MPS threshold. Accordingly, the Company was required to take appropriate steps to restore compliance with MPS norms.

In line with the applicable provisions of the SCRR, Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and relevant SEBI circulars, the Company has adopted the Rights Issue method for public shareholders, whereby the Promoters has confirmed their non-participation in the Issue.

The Promoter’s non-participation in the Rights Issue is therefore intended to facilitate dilution of promoter shareholding and enable the Company to achieve compliance with the minimum public shareholding requirements within the prescribed regulatory framework.

Further, in accordance with Regulation 86(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the requirement of minimum subscription shall be applicable to the Rights Issue. In the event the minimum subscription is not received, the Company shall refund the entire application monies received, in accordance with Regulation 86(2) of the SEBI ICDR Regulations, forthwith and in any case not later than four (4) days from the date of closure of the Rights Issue.

Further, none of the Promoters, members of the Promoter Group, or Directors have any interest in the objects of the Issue other than to the extent of their respective shareholding in the Company or any benefits arising out of such shareholding.

Our Company intended to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

## 11. Shareholding Pattern of our Company

The shareholding pattern of our Company as on December 31, 2025, is as follows:

- a) The statement showing holding of the Equity Shares of persons belonging to the category “Promoter & Promoter Group” as on December 31, 2025, can be accessed on the website of the Stock Exchanges at

<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=514211&qtrid=128.00&QtrName=Dec-25>

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SUMEETINDS&tabIndex=equity>

- b) The statement showing holding of the Equity Shares of persons belonging to the category “Non – Promoter shareholder” as on December 31, 2025, can be accessed on the website of the Stock Exchanges at

<https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=514211&qtrid=128.00&QtrName=Dec-25>

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SUMEETINDS&tabIndex=equity>

## OBJECTS OF THE ISSUE

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

1. To invest in setting up of Solar Power Plant
2. Repayment and/or prepayment, in full or part, of all or a portion of certain outstanding borrowings availed by our Company, including the interest accrued thereon
3. To meet Working Capital Requirement; and
4. General Corporate Purposes

(Collectively, referred to herein as the “Objects/Object”).

We intend to utilize the gross proceeds raised through the Issue (the “Issue Proceeds”) after deducting the Issue related expense (“Net Proceeds”) for the abovementioned Objects.

The main object clause of the Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### ISSUE PROCEEDS

The details of Issue Proceeds are set forth in the following table:

|  | (₹ in Lakhs)           |
|--|------------------------|
| Particulars                            | Amount                 |
| Gross Proceeds from the Issue*         | 19,987.22 <sup>#</sup> |
| Less: Estimated Issue related Expenses | 500.00                 |
| <b>Net Proceeds from the Issue</b>     | <b>19,487.22</b>       |

<sup>#</sup>Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

\*The Issue Size will not exceed ₹ 19,987.22 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

### REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

|  | Amount (in Lakhs) |
|--|-------------------|
| Particulars  | Amount (in Lakhs) |
| To invest in setting up of Solar Power Plant   | 2,200.00          |
| Repayment and/or prepayment, in full or part, of all or a portion of certain outstanding borrowings availed by our Company, including the interest accrued thereon | 2,300.00          |
| To meet Working Capital Requirements   | 10,000.00         |
| General Corporate Purposes   | 4,987.22          |
| <b>Net Proceeds from the Issue</b>   | <b>19,487.22</b>  |
| Estimated Issue related expenses   | 500.00            |
| <b>Gross Proceeds from the Issue</b>   | <b>19,987.22*</b> |

<sup>#</sup>Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

The above stated fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution or independent agency. Our Company’s funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. In case the Net Proceeds are not completely utilised in a scheduled financial year due to any reason, the same would be utilised (in part or full) in the next financial year as may be determined by our Company, in accordance with applicable law.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such

as market conditions, competitive environment, interest or exchange rate fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards meeting Objects of the Issue is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects as per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

For further details, please refer the section titled '**Risk factors**' on the page no 26 of this DLOF.

## MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the Objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to rise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

## DETAILS OF THE OBJECTS OF THE ISSUE

The details of each object of the Issue are outlined below:

### 1. To invest in setting up of Solar Power Plant

The Company proposes to invest ₹2,200.00 lakhs to set up a new 6.5 MW solar power plant in the State of Gujarat on leasehold land. The Company is entering into the solar power segment with approvals from Gujarat Energy Transmission Corporation Limited and awarded the project on EPC basis to Imperra Energy Pvt. Ltd. There is no assurance that the electricity supplied by these sources will be sufficient, uninterrupted, or available at a reasonable cost in the future. The Company faces risks of power disruptions that could harm its operations, financial condition, and cash flows. This solar project will reduce power costs, minimize dependence on external supplies, enhance energy security, and improve operational efficiency. The solar power project will be developed via an EPC contract and is expected to become operational by the end of FY 2026-27.

#### **Proposed Location:**

Our Company proposes to set up a solar power project at Village Baiwada, Taluka Deesa, District Banaskantha, Gujarat, admeasuring around 76,298 Sq. Mtrs. The Company has entered into separate registered sub-lease agreements dated February 21, 2025, with Greenpill Renewable Energy Pvt. Ltd. for various parcels of land bearing Survey Nos. 710, 718, 810, 719 and 711 at Village Baiwada. Each sub-lease has been granted for a period of 27 years, commencing from November 25, 2025, and ending on October 24, 2052. The respective landowners have executed lease deeds in favour of Greenpill Renewable Energy Pvt. Ltd., which has, in turn, executed corresponding sub-lease deeds in favour of the Company.

The Board of Directors has reviewed the quotations received from Imperra Energy Pvt. Ltd. (dated 09/02/2026) and J & J Engineers (dated 10/02/2026) from the respective EPC Contractors for the establishment of the ground-mounted solar power plant. The Board has approved the quotation submitted by Imperra Energy Pvt. Ltd. The selected contractor estimates that the erection and commissioning of the solar plant will take approximately 6–7 months from the date of receipt of the advance payment, as outlined in the approved quotation.

However, we are yet to complete the formalities for appointing the EPC Contractor for the execution of the proposed solar project. The estimated cost of development and execution is based on quotations received from EPC Contractors, which remain subject to change due to various factors. Furthermore, the Board reserves the right to consider and adopt any alternative proposal it deems appropriate. Furthermore, for the aforementioned object, we have obtained a certificate from Mokani Kruti N., Chartered Engineer, dated March 03, 2026.

**a) The brief description of proposal:**

| Sr. No. | Particulars                               | Details  |
|---------|---|--|
| 1       | Installed Capacity of Plant               | 6.5 MW   |
| 2       | Average Power Generation in day           | 32,338 kWh/day   |
| 3       | Expected Minimum Life of Power Plant      | 25 to 30 years   |
| 4       | Annual Operation & Maintenance (O&M) Cost | Rs. 4,00,000 per MW in the first year, escalating at 5% year-on-year |
| 5       | Estimated Cost setting up solar Plant     | 2,200 lakhs  |

**b) Following is the detail of estimated capital expenditure received from M/s. Imperra Energy Pvt. Ltd. for setting up of the proposed solar power plant:**

| Sr. No.  | Particulars  | Rate (Rs.) / KW | Amount (Rs.)        |
|--|--|-----------------|---------------------|
| <b>A) Details of Materials, Equipment &amp; Commissioning Cost</b> |  |                 |                     |
| 1.   | Solar Module Mounting Structure with all accessories   | 14,750          | 9,58,75,000         |
| 2.   | Sungrow Inverter and Grid Tied Inverter  | 1,550           | 1,00,75,000         |
| 3.   | The Balance of System (BoS) encompasses all the supporting hardware, structures, and accessories necessary for the installation, connection, conversion, protection, monitoring, and safe operation of the system, excluding the solar PV modules. This includes Sunchaser/Equipment structures, AC low- and high-tension cables, 6mm <sup>2</sup> DC cables, ACDB with ABB breakers, transformer, vacuum circuit breaker, streetlights with poles and CCTV cameras, weather monitoring system, UPS battery backup, auxiliary transformers, earthing and lightning arrestor protection, conduit pipes, safety and fire equipment, and plant fencing. | 9,000           | 5,85,00,000         |
| 4.   | Installation and Commissioning   | 2,200           | 1,43,00,000         |
| 5.   | 66KV HT Line and infrastructure with side combiner panel   | 2,000           | 1,30,00,000         |
| <b>Total (A)</b>   |  | <b>29,500</b>   | <b>19,17,50,000</b> |
| <b>B) Details of Additional Estimated Expenses</b>                 |  |                 |                     |
| 6.   | Legal fees Charges and statutory payments  | 169             | 11,00,000           |
| 7.   | Miscellaneous expense (Land NA / Brokerage / Lease expenses)   | 1,289           | 83,18,1,78          |
| <b>Total (B)</b>   |  | <b>1,458</b>    | <b>94,18,178</b>    |
| <b>Total</b>   |  | <b>30,958</b>   | <b>20,11,68,178</b> |

Note: The above cost received from Imperra Energy Pvt. Ltd. excludes GST, which is applicable at 8.94% on the Details of Materials, Equipment & Commissioning Cost, and at 18.00% on the Additional Estimated Expenses. Accordingly, the total GST amount is ₹1,88,31,822 (₹1,71,36,550 + ₹16,95,272), bringing the grand total cost including GST to ₹22 Crore.

**c) Summary of the quotations for materials & equipment to be incurred for setting up of solar power plant is as under:**

| Sr. No. | Description   | Suppliers Name & Address  | Amount Inclusive of Taxes (Rs.) |
|---------|---|---|---------------------------------|
| 1.      | Solar Modules, Inverters, Mounting Structures, Balance of System (BoS), Installation & Commissioning, and Other Incidental / Additional Costs | <b>Imperra Energy Pvt. Ltd.</b><br>Address: 203, Orleans Complex, Udhana Magdalla Road, Nodh-1090, TPS-6, FP-139, Surat-395017 Gujarat, India                       | 22,00,00,000                    |
| 2.      |   | <b>J &amp; J Engineers</b><br>Address: Sun Avenue One, 718, Manekbaug-Shyamal Road, Near Shreyas Foundation, Manekbaug Society, Ambawadi, Ahmedabad, Gujarat 380015 | 23,39,46,200                    |

Note: 1). The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of 9 months from the date of quotation. Consequent upon which, there could be a possible escalation in the cost at the actual time of purchase, resulting in increase in the estimated cost which will be funded by internal accruals. 2). Our management has not yet placed any firm order for

the above-mentioned quotation and is subject final negotiations. 3) We are not acquiring any second-hand solar power plant.

## 2. Repayment and/or prepayment, in full or part, of all or a portion of certain outstanding borrowings availed by our Company, including the interest accrued thereon

Our Company has entered into various borrowing arrangements from time to time, with banks and financial institutions in the ordinary course of business. The outstanding borrowing arrangements entered into by our Company includes debt in the form of, inter alia, availing working capital term loans and working capital facilities. Our Company proposes to utilize an estimated amount of ₹ 2,300.00 lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of certain borrowings availed by our Company.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment or avail additional credit facilities. Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, our Company may utilize the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilized from the Net Proceeds towards repayment and/or prepayment, in part or full of such borrowings (including refinanced or additional facilities availed, if any), would not exceed ₹ 2,300.00 lakhs

We believe that such repayment and/or pre-payment will help reduce our consolidated outstanding indebtedness and improve our profits by lowering our debt servicing costs, improve our net debt-to-equity ratio and enable utilization of our accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities to grow our business.

The following table provides the details of outstanding borrowings (fund-based) availed by our Company, which may be repaid or prepaid, in full or in part, from the Net Proceeds:

### Breakup of identified borrowings proposed to be repaid:

| Name of Lender | Purpose of Loan | Type of Loan | Amount Sanctioned (₹ in Lakhs) | Amount Outstanding as on 20.02.2026 (₹ in Lakhs) | Repayment as stated under the object of the Issue in the upcoming F.Y. 2026-27 (₹ in Lakhs) | Sanction letter Date | End Date   | Interest Rate (%) | Whether the loan has been utilized for the purpose for which it was availed |
|----------------|-----------------|--------------|--------------------------------|--|---|----------------------|------------|-------------------|---|
| HDFC Bank      | Working Capital | Term Loan    | 3,000.00                       | 2,900.00   | 1,400.00  | 12.12.2024           | 12.12.2030 | 9.20%             | Yes   |
| Axis Bank      |                 |              | 2,000.00                       | 1,900.00   | 900.00  | 05.10.2024           | 04.10.2030 | 7.75%             |   |
| <b>Total</b>   |                 |              | <b>5,000.00</b>                | <b>4,800.00</b>                                  | <b>2,300.00</b>   |                      | -          |                   | -   |

Note: Above repayment of borrowing based on certificate issued by M/s. HTKS & Co., Chartered Accountants, Statutory Auditor of our Company vide their certificate dated February 27, 2026, bearing UDIN: 26055043RLDKM05850

Our Company has and will consider the following factors for identifying the loans that will be repaid or prepaid out of the Net Proceeds: (i) costs, expenses and charges relating to the facility/ borrowing including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) terms of prepayment to lenders, if any; (vi) mix of credit facilities provided by lenders; and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Some of the financing facilities availed by our Company provide for the levy of a prepayment penalty or charge. In the event that there is any prepayment penalties required to be paid under the terms of relevant financing agreement, such prepayment penalties shall be paid by our Company out of the internal accruals of our Company, as applicable. In case we are unable to raise the Net Proceeds till the due date for repayment of any of the above-mentioned portion of the loans, the funds earmarked for such repayment may be utilized for payment of future instalments of the above-mentioned loan or other loans for an amount not more than the total amount and within the deployment schedule mentioned above.

The amounts outstanding under our borrowing facilities may fluctuate from time to time due to various factors, including intermediate repayments and additional drawdowns. Consequently, the outstanding borrowings under such facilities may vary periodically. Our Company may, from time to time, repay, refinance, enter into new financing arrangements, or draw down funds from existing borrowing facilities. In such cases, the Company may utilize a portion of the Net Proceeds from this offering towards the repayment or prepayment of existing or additional indebtedness, as may be determined based on various commercial considerations as set out above.

### 3. To Meet Working Capital Requirements

Our business is highly working-capital intensive due to our integrated manufacturing operations spanning from POY, FDY, texturized yarn, microfilament yarn, cationic and dope-dyed yarn, and textile grade chips, along with our ongoing capacity expansion in the FDY segment. As the Company continues to enhance its production capabilities and procures significant quantities of raw materials such as PTA, MEG, packaging materials, and other inputs essential for continuous polymerization, spinning, and texturizing processes, our working capital requirements have increased substantially. For upcoming financial year i.e. 2026-27, our incremental working capital requirement is estimated at ₹10,000 Lakhs, which will enable us to secure raw material inventories at competitive prices, ensure uninterrupted production across our backward and forward integrated facilities, and meet timely payment commitments to both domestic and international suppliers, thereby optimizing costs and strengthening profitability. We propose to meet this additional working capital requirements from the Net Proceeds of this Issue, with any shortfall being funded through internal accruals as per operational needs.

The details of estimation of Working Capital Requirement are as under:

| (₹ in Lakhs)                                   |                  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|
| Particulars                                    | 2022-23          | 2023-24          | 2024-25          | 2025-26 (P)      | 2026-27 (P)      |
| <b>Current Assets</b>                          |                  |                  |                  |                  |                  |
| Inventories                                    | 10,299.22        | 10,252.34        | 10,552.12        | 10,852.40        | 13,521.15        |
| Trade Receivables                              | 10,478.23        | 8,202.06         | 8,392.22         | 8,673.37         | 11,766.00        |
| Other current Assets                           | 4,225.77         | 4,574.87         | 4,191.25         | 5,479.00         | 7,857.00         |
| <b>Total Current Assets (A)</b>                | <b>25,003.22</b> | <b>23,029.27</b> | <b>23,135.59</b> | <b>25,004.77</b> | <b>33,144.15</b> |
| <b>Current Liabilities</b>                     |                  |                  |                  |                  |                  |
| Trade Payables                                 | 3,841.05         | 5,278.17         | 13,236.64        | 9,221.18         | 3,051.52         |
| Other Current Liabilities                      | 630.69           | 2,866.62         | 1,135.05         | 1,220.16         | 1,176.13         |
| Provisions                                     | 13.58            | 13.58            | 0.00             | 0.00             | 0.00             |
| <b>Total Current Liabilities (B)</b>           | <b>4,485.32</b>  | <b>8,158.37</b>  | <b>14,371.69</b> | <b>10,441.34</b> | <b>4,227.65</b>  |
| <b>Working Capital Requirements (A-B)</b>      | <b>20,517.90</b> | <b>14,870.90</b> | <b>8,763.90</b>  | <b>14,563.43</b> | <b>28,916.50</b> |
| Borrowing from Banks or Financial Institutions | 38,342.07        | 38,438.39        | 2,075.32         | 2,500.00         | 2,500.00         |
| Internal Accruals (Surplus / Deficit)          | -17,824.17       | -23,567.49       | 6,688.58         | 12,063.43        | 16,416.50        |
| <b>Proceeds from the Issue</b>                 | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>10,000.00</b> |

Note: The above working capital requirement has been computed based on the certificate issued by the Statutory Auditor, M/s. HTKS & Co., Chartered Accountants dated February 27, 2026, bearing UDIN: 26055043KZROXG5840. The said certificate includes "Cash and Cash Equivalents" under Current Assets and "Current Maturities of Long-Term Borrowings" under Current Liabilities as per the requirements of Schedule III to the Companies Act, 2013 and Ind AS 1. However, in compliance with the NSE's suggestion, the said items have been excluded while computing the working capital requirement, and the above table has accordingly been modified.

| Particulars       | No. of Days |         |         |             |             |
|-------------------|-------------|---------|---------|-------------|-------------|
|                   | 2022-23     | 2023-24 | 2024-25 | 2025-26 (P) | 2026-27 (P) |
| Inventory         | 45          | 38      | 40      | 39          | 41          |
| Trade Receivables | 37          | 30      | 31      | 30          | 33          |
| Trade Payables    | 14          | 20      | 51      | 42          | 11          |

**Assumption, holding level and justification for Working Capital:**

| Particular               | Assumption   |
|--------------------------|--|
| <b>Inventory</b>         | The inventory holding period as per the latest audited consolidated financial statements for FY 2024–25 stood at 40 days, primarily reflecting the Company’s reliance on the timely procurement of critical raw materials such as PTA, MEG, polymer chips, and packaging materials to ensure uninterrupted operations across polymerization, spinning, and texturizing units. For FY 2025–26, the inventory holding period is estimated at approximately 39 days and is expected to increase marginally to around 41 days in FY 2026–27. This gradual increase is mainly attributable to the planned buildup of raw material and work-in-process inventories to support the expansion of production capacity, including the commissioning of new FDY lines. Additsegment continues to maintain optimal to ensure operational continuity during the ramp-up phase, address anticipated growth in the synthetic yarn segment, and mitigate potential supply-chain volatility by securing the timely availability of critical inputs. |
| <b>Trade Receivables</b> | The trade receivables period as per the latest audited consolidated financial statements for FY 2024–25 was 31 days. For FY 2025–26, the trade receivables period is estimated at approximately 30 days and is expected to increase marginally to around 33 days in FY 2026–27. This anticipated increase is primarily attributable to the Company’s strategy of offering competitive and flexible credit terms to customers in the textile industry, aimed at supporting higher sales volumes, particularly in POY, FDY, and value-added yarn products. Such credit policies are intended to strengthen long-term customer relationships, enhance market penetration across key segments, and support revenue growth during the expansion and ramp-up phase of additional production capacities, while continuing to maintain prudent credit risk management practices.   |
| <b>Trade Payables</b>    | The trade payables period as per the latest audited consolidated financial statements for FY 2024–25 was 51 days. For FY 2025–26, the trade payables period is estimated at approximately 42 days and is expected to normalize to around 11 days in FY 2026–27. The expected variation in the trade payables period reflects the Company’s calibrated supplier payment strategy, which balances timely settlement obligations with the need to ensure uninterrupted procurement of critical raw materials such as PTA and MEG during the capacity expansion phase. The relatively shorter payment cycle in FY 2025–26 is intended to strengthen supplier relationships and secure favourable commercial terms during the initial ramp-up of new capacities. The further reduction and stabilization in FY 2026–27 is aligned with fully ramped-up operations, improved procurement efficiencies, and optimized working capital management practices.   |

(P) = Projected

**4. General Corporate Purpose**

In terms of Regulation 62(2) of the SEBI (ICDR) Regulations, the extent of the Issue Proceeds proposed to be used for General Corporate Purposes shall not in the aggregate exceed 25% of the Gross Proceeds of the Issue. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

Our management will have flexibility in utilizing any amounts for General Corporate Purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount available under this head and the business requirements of our Company, from time to time.

General corporate purposes may include, but are not restricted to, the following:

- a. strategic initiatives;
- b. funding growth opportunities;
- c. strengthening marketing capabilities and brand building exercises;
- d. meeting ongoing general corporate contingencies;
- e. meeting fund requirements of our Company, in the ordinary course of its business;
- f. meeting expenses incurred in the ordinary course of business; and
- g. any other purpose, as may be approved by the Board, subject to applicable law.

## 5. Expenses for the Issue

The total issue related expenses are estimated to be approximately ₹ 500 Lakhs. The Issue related expenses include fees payable to amounts payable to agencies and regulators including the Banker to the Issuer, Underwriter, Stock Exchanges, Monitoring Agency, Registrar fees, printing and distribution of issue stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-down of the estimated Issue expenses is disclosed below:

| Activity                                      | Estimated Expense<br>(₹ in lakhs) | (%) of Total<br>Estimated<br>Issue Expenses | % of Total<br>Issue Size |
|---|-----------------------------------|---|--------------------------|
| Brokerage, Selling Commission & Upload Fees   | [●]                               | [●]   | [●]                      |
| Underwriting fees                             | [●]                               | [●]   | [●]                      |
| Registrar to the Issue                        | [●]                               | [●]   | [●]                      |
| Fees to Monitoring Agency                     | [●]                               | [●]   | [●]                      |
| Advertising and marketing expenses            | [●]                               | [●]   | [●]                      |
| Regulators including Stock Exchanges          | [●]                               | [●]   | [●]                      |
| Printing and distribution of issue stationery | [●]                               | [●]   | [●]                      |
| Others, if any (to be specified)              | [●]                               | [●]   | [●]                      |
| <b>Total estimated Issue expenses*</b>        |                                   | <b>100.00</b>                               |                          |

*\*Subject to finalization of Basis of Allotment and actual Allotment. Above mentioned fees are excluding Taxes.*

*All issue-related expenses will be funded from the Gross Proceeds. These expenses will be officially recorded only after receiving the final approval from the exchange. Any variance between the estimated and actual expenses will be adjusted against the allocation for General Corporate Purposes.*

## APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank or financial institution.

## STRATEGIC AND/OR FINANCIAL PARTNERS

There are no strategic and financial partners to the Objects of the Issue.

## SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during upcoming fiscal years.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management.

Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund's requirements described herein.

### **BRIDGE FINANCING FACILITIES**

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue as on the date of this Draft Letter of Offer.

### **INTERIM USE OF FUNDS**

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013.

Additionally, in compliance with Regulation 66 of the SEBI (ICDR) Regulations, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products except ordinary course of business, providing loans to or for acquiring shares of any person who is part of the Promoters.

### **MONITORING OF UTILIZATION OF FUNDS**

Our Company has appointed Crisil Ratings Limited as the Monitoring Agency for the Issue to monitor the utilization of the Gross Proceeds. The Monitoring Agency shall submit a report to our Board, till 100% of the Gross Proceeds has been utilised, as required under the SEBI (ICDR) Regulations. Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized.

Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges. Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. Further, pursuant to Regulation 32(5) of the SEBI LODR Regulations, our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds.

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi, and the vernacular language of the jurisdiction where the Registered Office is situated.

### **KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE**

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

### **INTEREST OF PROMOTERS, PROMOTER GROUP AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE**

None of our Promoters, members of the Promoter Group and the Directors have any interest in the Objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, Directors and Key Managerial Personnel of our Company.

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**BRIDGE LOAN**

We have not raised any bridge loans which are required to be repaid from the Net Proceed.

**OTHER CONFIRMATIONS**

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our directors or Key Managerial Personnel.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

**VARIATION IN OBJECTS**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

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## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors  
**Sumeet Industries Limited**  
Surat, Gujarat

**Re: Proposed Rights Issue of Equity Shares of Face Value of ₹ 2 each of Sumeet Industries Limited pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013, as amended.**

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We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Accordingly, the ability of the Company or its shareholders to derive such tax benefits is dependent upon fulfilling such conditions, which, based on the business considerations, the Company may or may not choose to fulfil.

This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences and the changing tax laws, each investor is advised to consult his or her own tax advisor with respect to the specific tax implications arising out of participation in the Rights Issue of equity shares of the Company, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may be subject to varying interpretations. Nothing contained herein should be construed as a recommendation to invest in the equity shares of the Company.

The contents of the enclosed statement are based on the information and explanations provided to us by the Company and on the provisions of applicable tax laws and judicial interpretations thereof as on the date hereof.

We do not express any opinion or provide any assurance as to whether:

- I. the Company or its shareholders will continue to obtain these benefits in future; or
- II. the conditions prescribed for availing the benefits have been/would be met with; and

This statement is intended solely for information and for inclusion in the Draft Letter of Offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Yours faithfully,

For and on behalf of

M/s HTKS & Co.  
Chartered Accountants  
Firm Registration Number: 111032W

Sd/-

Name: CA Harishankumar Tosniwal  
Partner  
Membership Number: 055043  
UDIN: 26055043RLDKMO5850

Date: February 27, 2026  
Place: Surat

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a General Meeting. As on date of this Draft Letter of Offer, our Company currently has 6 Directors on its Board. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

| NAME, DESIGNATION, DOB, ADDRESS, OCCUPATION, NATIONALITY, DATE OF BIRTH AND TERM   | AGE | OTHER DIRECTORSHIPS   |
|--|-----|---|
| <b>MR. ROHAN DIPAKBHAI MODH</b><br>S/O. DIPAKBHAI MODH<br><b>DOB:</b> 02/06/2001<br><b>ADDRESS:</b> G-2, 1001 , HAPPY EXCELLENCIA ,<br>OPP. JOLLY PARTY PLOT, UDHNA, MAGDALLA<br>ROAD, SURAT -395007<br><b>NATIONALITY:</b> INDIAN<br><b>OCCUPATION:</b> BUSINESS<br><b>DESIGNATION:</b> WHOLE TIME DIRECTOR<br><b>TERM:</b> APPOINTED FOR TERM OF 5<br>CONSECUTIVE YEARS FROM 09/01/2025 TO<br>08/01/2030 | 25  | <ul style="list-style-type: none"> <li>● CNM SECURITIES PRIVATE LIMITED</li> </ul>  |
| <b>MR. RADHESHYAM BHAWARLAL JAJU</b><br>S/O. BHAWARLAL JAJU<br><b>DOB:</b> 30/04/1955<br><b>ADDRESS:</b> 730, AASHIRVAD PALACS, BHATAR<br>ROAD, BHATAR, SURAT -395007<br><b>NATIONALITY:</b> INDIAN<br><b>OCCUPATION:</b> BUSINESS<br><b>DESIGNATION:</b> CHAIRMAN & DIRECTOR<br><b>TERM:</b> APPOINTED FOR TERM OF 5<br>CONSECUTIVE YEARS FROM 05/08/2024 TO<br>04/08/2029                                | 71  | <ul style="list-style-type: none"> <li>● EAGLE FASHIONS PVT. LTD.</li> <li>● PADMINI POLYTEX PRIVATE LIMITED</li> <li>● MSF CAPITAL LIMITED</li> <li>● NYLON SPINNERS ASSOCIATION</li> <li>● MAHESHWARI STARTERS' FOUNDATION</li> <li>● SUPREME (INDIA) IMPEX LTD.</li> <li>● EAGLE FIBRES LIMITED</li> <li>● GARUDA YARNS PRIVATE LIMITED</li> </ul> |
| <b>MR. PRATIK RAJESH JAJU</b><br>S/O. RAJESH BHAWARLAL JAJU<br><b>DOB:</b> 23/12/1987<br><b>ADDRESS:</b> F-1002, RAJHANS ROYALTON, VESU<br>CANAL ROAD, VESU, SURAT -395007<br><b>NATIONALITY:</b> INDIAN<br><b>OCCUPATION:</b> BUSINESS<br><b>DESIGNATION:</b> MANAGING DIRECTOR<br><b>TERM:</b> APPOINTED FOR TERM OF 5<br>CONSECUTIVE YEARS FROM 05/08/2024 TO<br>04/08/2029                             | 39  | <ul style="list-style-type: none"> <li>● EAGLE FILAMENT PRIVATE LIMITED</li> <li>● SUPREME (INDIA) IMPEX LTD.</li> <li>● GARUDA YARNS PRIVATE LIMITED</li> <li>● ANAND INFRASPACE PRIVATE LIMITED</li> <li>● EAGLE YARNS PRIVATE LIMITED</li> <li>● EAGLE SYNTHETICS PRIVATE LIMITED</li> <li>● VIBHUTI SYNTHETICS PVT. LTD.</li> </ul>               |
| <b>MS. ANKITA SIDDHARTH SHAH</b><br>D/O. VIJAY DHANARAJ BORA<br><b>DOB:</b> 27/01/1988   | 38  | <ul style="list-style-type: none"> <li>● NONE</li> </ul>  |

| NAME, DESIGNATION, DOB, ADDRESS, OCCUPATION, NATIONALITY, DATE OF BIRTH AND TERM   | AGE | OTHER DIRECTORSHIPS   |
|--|-----|---|
| <b>ADDRESS:</b> B-801, TITANIUM TOWER, SAHAKAR NAGAR, J. P. ROAD, ANDHERI (W), MUMBAI-400053<br><b>NATIONALITY:</b> INDIAN<br><b>OCCUPATION:</b> BUSINESS<br><b>DESIGNATION:</b> INDEPENDENT DIRECTOR<br><b>TERM:</b> APPOINTED FOR TERM OF 5 CONSECUTIVE YEARS FROM 02/09/2024 TO 01/09/2029  |     |   |
| <b>MS. PRACHI ANKUR GANDHI</b><br><b>W/O.</b> ANKUR GANDHI<br><b>DOB:</b> 05/07/1984<br><b>ADDRESS:</b> F3, AVENUE 77, BESIDE LP SAVANI ACADEMY, G D GOENKA CANAL ROAD, VESU, GUJARAT – 395007<br><b>NATIONALITY:</b> INDIAN<br><b>OCCUPATION:</b> BUSINESS<br><b>DESIGNATION:</b> INDEPENDENT DIRECTOR<br><b>TERM:</b> APPOINTED FOR TERM OF 5 CONSECUTIVE YEARS FROM 02/09/2024 TO 01/09/2029            | 42  | <ul style="list-style-type: none"> <li>● FULCRUM PARTNERS' LLP</li> </ul> |
| <b>MR. SAURAV SANTOSH DUGAR</b><br><b>S/O.</b> SANTOSH BHAWARLAL DUGAR<br><b>DOB:</b> 20/06/1992<br><b>ADDRESS:</b> BLOCK - 501, SHRUNGAL PALACE, OPP. DMART, NR. ALTHAN PANDESARA BRIDGE, SURAT - 394221<br><b>NATIONALITY:</b> INDIAN<br><b>OCCUPATION:</b> BUSINESS<br><b>DESIGNATION:</b> INDEPENDENT DIRECTOR<br><b>TERM:</b> APPOINTED FOR TERM OF 5 CONSECUTIVE YEARS FROM 28/10/2025 TO 27/10/2030 | 34  | <ul style="list-style-type: none"> <li>● NONE</li> </ul>                  |

## BRIEF DETAILS OF OUR DIRECTORS

### MR. RADHESHYAM BHAWARLAL JAJU

He has over 40 years of experience with Eagle Group, having contributed from its early stages. He has supported the group's expansion and business development. His industry knowledge has aided the group's growth, with 35 years of experience in segments such as nylon, spinning, ginning, texturizing, and weaving. Having worked at every organizational level, he remains involved in management and is dedicated to the group's progress. His key responsibilities include overseeing overall marketing, raw material procurement, and business networking.

### MR. PRATIK RAJESH JAJU

He holds an MBA and has over 10 years of experience. After completing his post-graduation, he joined in family business. He is now involved in supporting the business operations of various companies within the

Eagle Group. His responsibilities include overseeing production, operations, marketing and day to day management of the Company.

**MR. ROHAN DIPAKBHAI MODH**

He holds a master’s degree in management studies from Stevens Business School in the United States and a Bachelor of Business Administration in Finance from South Gujarat University in India. He has worked with Corbridge Financial in New York and at Raven Black Capital in the U.S., where he specialized in insurance and investment banking. He has experience in project finance and investment banking.

**MS. PRACHI ANKUR GANDHI**

She is the proprietor of Prachi Shukla & Co. has over 10 years of experience in corporate law advisory and compliance. She is a fellow member of the Institute of Company Secretaries of India and holds degrees in Law and Commerce. Certified to practice by the ICSI, she began her career with Fairdeal Filaments Ltd. in 2007 and now leads her individual practice. Her experience includes pre-listing compliances, SEBI rules and regulations, FEMA matters, corporate due diligence, company mergers and amalgamations, company formation, and drafting agreements such as Share Subscription and Shareholders’ Agreements. She also handles delisting procedures, company winding-up and liquidation, and stock exchanges’ listing agreement compliances.

**MS. ANKITA SIDDHARTH SHAH**

She holds an MBA in Finance from Mumbai University and currently serves as a Vice President, Equity Research Analyst at Elara Capital. With 13 years of experience in capital markets, she covers multiple sectors and has previously worked on investment banking transactions. She has experience in equity research and banking finance.

**MR. SAURAV SANTOSH DUGAR**

He is a Practicing Chartered Accountant with around six years of experience. As a Key Partner at A J S S D & Company, Chartered Accountants in Surat, he has completed a Certificate Course on Forensic Accounting and Fraud Detection from the ICAI. His experience includes conducting statutory, tax, and internal audits for large and medium-scale companies. He specializes in bank audits, direct and indirect taxation, and company law matters. He has been appointed as a Non-Executive, Independent Director of the Company.

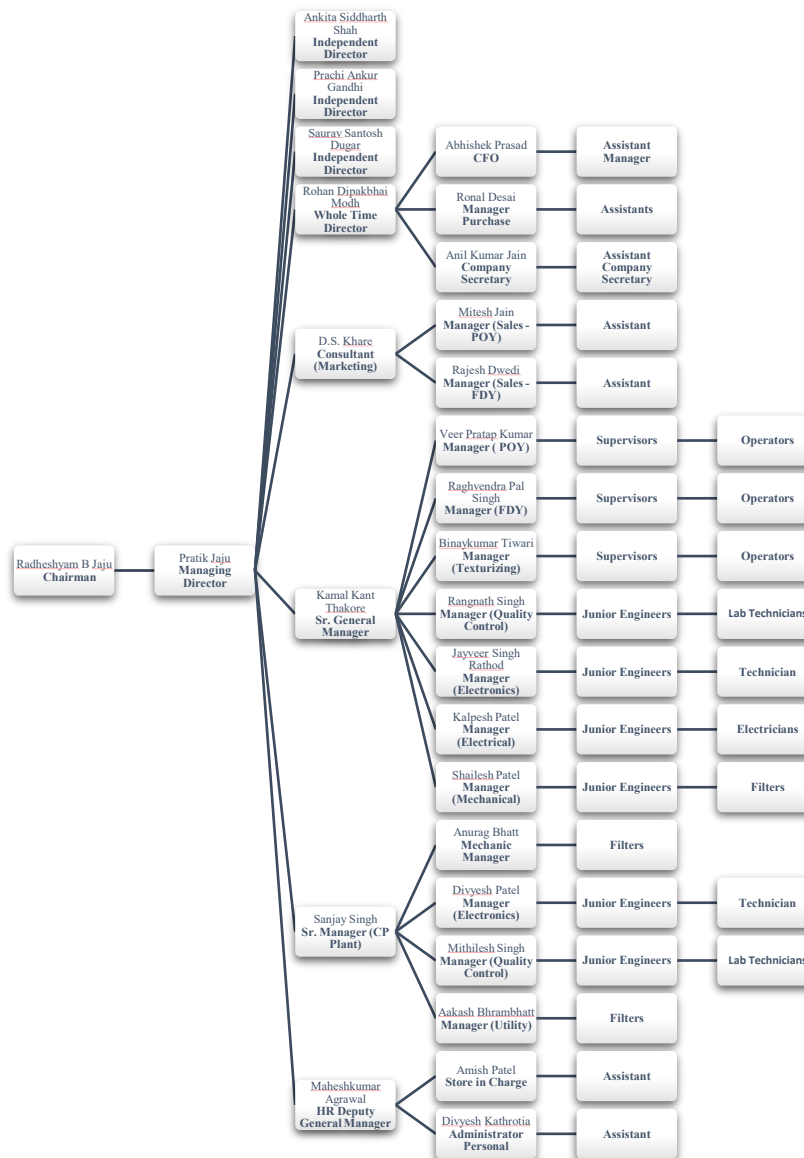
**RELATIONSHIP BETWEEN DIRECTORS**

Except as mentioned below, none of the directors of the Company are related to one another.

| <b>Name of Director</b>   | <b>Name of Relative</b> | <b>Relationship</b> |
|---------------------------|-------------------------|---------------------|
| Radheshyam Bhawarlal Jaju | Pratik Rajesh Jaju      | Uncle               |

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**ORGANIZATIONAL STRUCTURE**



**OUR KEY MANAGERIAL PERSONNEL**

Details of our other Key Managerial Personnel, excluding those mentioned above, as of the date of filing this Draft Letter of Offer:

**MR. ABHISHEK MAHENDRA PRASAD**, Chief Financial Officer

He is a financial professional and serves as the Chief Financial Officer of the Company. He has ten years of experience in the financial field.

**MR. ANIL KUMAR SUMERMAL JAIN**, Company Secretary and Compliance Officer

He is a Company Secretary and Compliance Officer of the Company and a member of the Institute of Company Secretaries of India. He has around 23 years of experience in secretarial procedures, taxation, and project management. He is currently employed as Company Secretary and Compliance Officer of the Company.

**INTEREST OF PROMOTERS, PROMOTER GROUP AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE**

None of our Promoters, members of the Promoter Group and the Directors have any interest in the Objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter(s), Promoter Group, Directors and Key Managerial Personnel of our Company.

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**SECTION VI – FINANCIAL INFORMATION**

| Sr. No. | Particulars  | Website Link   |
|---------|--|--|
| 1       | Audited Financial Statements as at Financial Years ended March 31, 2025, 2024, and 2023. | <a href="http://www.sumeetindustries.com/wp-content/uploads/ANNUAL-REPORT-2025_Final.pdf">http://www.sumeetindustries.com/wp-content/uploads/ANNUAL-REPORT-2025_Final.pdf</a><br><a href="http://www.sumeetindustries.com/wp-content/uploads/2024/09/ANNUAL-REPORT-2024.pdf">http://www.sumeetindustries.com/wp-content/uploads/2024/09/ANNUAL-REPORT-2024.pdf</a> |
| 2       | Unaudited Financial Statement for the half year ended September 30, 2025                 | <a href="http://www.sumeetindustries.com/wp-content/uploads/OUTCOME OF BM 30092025 F.pdf">http://www.sumeetindustries.com/wp-content/uploads/OUTCOME OF BM 30092025 F.pdf</a>  |

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## FINANCIAL INFORMATION

The following table presents a summary of the Financial Statements included in the section entitled “**Financial Information**” on page no. 76 of this Draft Letter of Offer.

(Amount in lakhs)

| Particulars  | Half year ended<br>September 30,<br>2025 | Financial Year<br>ended<br>March 31, 2025 | Financial Year<br>ended<br>March 31, 2024 | Financial Year<br>ended<br>March 31, 2023 |
|--|--|---|---|---|
| Total income from operations                         | 51,777.34                                | 1,00,337.05                               | 98,485.69                                 | 1,03,312.41                               |
| EBITDA   | 2,811.32                                 | 1,231.67                                  | -4,039.31                                 | -3,942.93                                 |
| Net Profit/(loss) before tax and extraordinary items | 1,783.75                                 | -968.92                                   | -6,346.70                                 | -6,375.15                                 |
| Equity share capital                                 | 13,326.51                                | 13,326.51                                 | 10,364.24                                 | 10,364.24                                 |
| Reserves and surplus                                 | 6,970.95                                 | 5,194.30                                  | -28,033.35                                | -21,997.90                                |
| Net worth  | 20,297.46                                | 18,520.81                                 | 17,669.11                                 | -11,633.66                                |
| Basic Earnings per share (in ₹)                      | 1.68                                     | 16.11                                     | -5.70                                     | -5.67                                     |
| Diluted Earnings per share (in ₹)                    | 1.68                                     | 16.11                                     | -5.70                                     | -5.67                                     |
| Return on net worth (in %)                           | 8.79                                     | 91.93                                     | -   | -   |
| Net Asset Value per Share (in ₹)                     | 3.05*                                    | 15.23                                     | 17.05                                     | -11.22                                    |

\* The Company changed the face value of its shares to ₹2 per share effective August-2025 onwards.

**Notes:**

- *EBITDA: calculated as profit/(loss) before tax, plus, depreciation and amortization expense excluding other income. This gives information regarding the operating profits generated by our Company in comparison to the revenue from operations of our Company*
- *Basic EPS: Net Profit for the year attributable to owners of our Company/ number of Equity Shares outstanding during the year*
- *Diluted EPS: Net Profit for the year attributable to owners of our Company/ number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares*
- *Return on net worth: Net Profit for the year attributable to owners of our Company/ Net Worth*
- *Net Asset value per share: Net Worth/ number of Equity Shares issued, subscribed and fully paid outstanding as at the end of the year*

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## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are some outstanding litigations involving our Company, Promoters and directors of the Company whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as ‘material’;
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

#### LITIGATION INVOLVING OUR COMPANY

1. *Litigation involving Civil Laws*

Nil

2. *Litigation involving Criminal Laws*

Nil

3. *Litigation involving Securities and Economic Laws*

Nil

4. *Litigation involving Taxation*

- *Direct – Nil*
- *Indirect - Nil*

5. *Other proceedings involving our Company*

NIL

#### CASES FILED BY OUR COMPANY

1. *Litigation involving Civil Laws*

Nil

2. *Litigation involving Criminal Laws*

Nil

3. *Litigation involving Securities and Economic Laws*

Nil

#### 4. *Litigation involving Taxation*

- Direct - Nil
- Indirect - Nil

#### 5. *Other proceedings involving our Company*

**Case No.: Company Appeal | Forum: National Company Law Tribunal, Ahmedabad Bench | Appellant: The Company | Respondent: Dakshin Gujarat Vij Company Limited**

Aggrieved by the order dated November 27, 2025, of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, The Company through its Resolution Professional, has preferred an appeal before the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi under Section 61 of the Insolvency and Bankruptcy Code, 2016. The appeal, registered as Company Appeal, challenges the findings of the NCLT regarding the alleged post-CIRP adjustment of a security deposit amounting to ₹8.30 crores and the adjustment of ₹3.79 crores towards pre-CIRP electricity dues, which the appellant contends violates the moratorium under Section 14 of the IBC. The appellant has sought, inter alia, the setting aside of the impugned order and directions for the re-credit or restoration of the aforesaid amounts. As of the date of this Offer Document, the said appeal remains pending for adjudication before the Hon'ble NCLAT.

### **LITIGATION RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY**

#### 1. CASES FILED AGAINST THE DIRECTORS

- *Litigation involving Civil/Statutory Laws*  
Nil
- *Litigation involving Criminal Laws*  
Nil
- *Litigation involving Economic Offenses*  
Nil
- *Litigation involving Tax Liabilities*  
Nil
- *Other Pending Litigation*  
Nil

#### 2. CASES FILED BY THE DIRECTORS

- *Litigation involving Civil/Statutory Laws*  
Nil
- *Litigation involving Criminal Laws*  
Nil
- *Litigation involving Economic Offenses*

Nil

- *Litigation involving Tax Liabilities*

Nil

## **LITIGATION RELATING TO OUR PROMOTER AND PROMOTER GROUP / GROUP ENTITIES**

### 1. CASES FILED AGAINST THE PROMOTER AND PROMOTER GROUP / GROUP ENTITIES

- *Litigation involving Civil/Statutory Laws*

Nil

- *Litigation involving Criminal Laws*

Nil

- *Litigation involving Economic Offenses*

Nil

- *Litigation involving Tax Liabilities*

Nil

- *Other Pending Litigation*

Nil

### 2. CASES FILED BY THE PROMOTER AND PROMOTER GROUP / GROUP ENTITIES

- *Litigation involving Civil/Statutory Laws*

Nil

- *Litigation involving Criminal Laws*

Nil

- *Litigation involving Economic Offenses*

Nil

- *Litigation involving Tax Liabilities*

Nil

*Note: The NCLT Ahmedabad Bench approved the resolution plan in IA/1394/(AHM)/2023 CP(IB) No. 38/2020 on July 16, 2024. Upon approval, all stakeholder liabilities and claims including those from government or statutory authorities, whether arising during the Corporate Insolvency Resolution Process or otherwise stand fully extinguished.*

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**GOVERNMENT AND OTHER APPROVALS**

Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Letter of Offer.

**MATERIAL PENDING GOVERNMENT AND REGULATORY APPROVALS PERTAINING TO THE OBJECTS OF THE ISSUE**

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” on page no. 61 of this Draft Letter of Offer.

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## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

This Issue is authorized by our Board pursuant to a resolution passed in its meeting held on January 19, 2026, as per Section 62 of the Companies Act, 2013. Further the Draft Letter of Offer has been approved by our Board of Directors, at the meeting held on March 17, 2026.

Our Company has received 'in-principle' approvals from both BSE and NSE for the listing of the Rights Equity Shares to be allotted in the Issue. BSE, being the Designated Stock Exchange, has granted approval vide their letter no. [●] dated [●], and NSE has granted approval vide their letter no. [●] dated [●].

The Board of Directors in their meeting held on [●] has determined the Issue Price as ₹ [●]/- per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date i.e., [●] Issue Price has been determined at in consultation Registrar to the Issue. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company.

The Letter of Offer has been approved by our Board of Directors, at the meeting held on [●].

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company. Our Company has been allotted the ISIN [●] both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, refer section titled '*Terms of the Issue*' on page no. 88 of this Draft Letter of Offer.

### RATIONALE FOR THE ISSUE PRICE

The rationale for the Issue Price shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

### PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

As on date, Our Company, the Promoters and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, SEBI has not initiated any action against any entity with which the Directors are associated.

The Companies with which our directors or the persons in control of our Company are or were associated as Promoters, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Promoters nor our Directors have been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any Stock Exchanges or in a listed Company which has been/was delisted from any Stock Exchanges. There are no proceedings initiated by SEBI, Stock Exchanges or ROC, etc., against our Company and Directors.

### PROHIBITION BY RBI

The Company had previously undergone a Corporate Insolvency Resolution Process (CIRP) initiated by multiple creditors on account of wilful defaults, pursuant to which the National Company Law Tribunal, Ahmedabad Bench, approved a resolution plan and permitted the Company to be taken over by the new management, resulting in the extinguishment of all outstanding dues. As of the date hereof, neither the Company nor its existing Promoters or directors are classified as a wilful defaulter or fraudulent borrower by any bank, financial institution (as defined under the Companies Act, 2013), or consortium thereof, in accordance with the relevant guidelines issued by the Reserve Bank of India.

**DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET**

None of our Directors are associated with the securities market in any manner.

**COMPLIANCE WITH COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company and our Promoters are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

**ELIGIBILITY FOR THE ISSUE**

Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the stock exchanges. Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations.

**COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI (ICDR) REGULATIONS**

Our Company is a listed company and is eligible to make this Rights Issue in terms of Chapter III of SEBI (ICDR) Regulations. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE Limited is the Designated Stock Exchanges for this Issue.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER.**

**DISCLAIMER CLAUSE OF BSE**

As required, a copy of the Draft Letter of Offer has been submitted to BSE (the designated Stock Exchanges). BSE has given vide its letter dated [●], permission to this Company to use the Exchange's name in this Draft Letter of Offer as one of the Stock Exchanges on which this Company's securities are proposed to be listed. The exchange has scrutinized this draft letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. The exchange does not in any manner:

- I. Warrant, certify or endorse the correctness or completion of any of the contents of this Draft Letter of Offer; or
- II. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- III. Take any responsibility for the financial or other soundness of this company, its Promoters, its management or any scheme or project of this Company and

it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

**DISCLAIMER CLAUSE OF NSE**

As required, a copy of the draft Letter of Offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as “NSE”). NSE through its approval dated [●] gave permission to the Issuer to use the Exchange’s name in the draft Letter of Offer as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Letter of Offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Letter of Offer; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**CAUTION**

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

**DISCLAIMER WITH RESPECT TO JURISDICTION**

This Draft Letter of Offer has been prepared under the provisions of the Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Gujarat, India, only.

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE’S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

**DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of this Issue is BSE Limited.

**SELLING RESTRICTIONS**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person. The distribution of this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer/ Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer/Letter of Offer and its accompanying documents being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares, or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER, THE LETTER OF OFFER AND ABRIDGED LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHT SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHT SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

**NO OFFER IN THE UNITED STATES**

The rights entitlements and the Rights Equity Shares have not been and will not be registered under the United States securities act, 1933, as amended ("*Securities Act*"), or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("*United States*" or "*U.S.*") or to, or for the account or benefit of "*U.S. Persons*" as defined in Regulation S ("*Regulation S*") under the securities act, except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and Rights Equity Shares referred to in this draft letter of offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ or rights entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the draft letter of offer relates is not, and under no circumstances is to be construed

as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, the Draft Letter of Offer, Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

**We, the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:**

- a. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations;**
- b. Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. Where a registered Indian address is not provided;**
- d. Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements.**

And we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form. The Rights Entitlements may not be transferred or sold to any person in the United States.

## **FILING**

The Draft Letter of Offer has not been filed with the SEBI for its observations as per the SEBI Circular bearing number SEBI/HO/CFD/CFD-PoD1/P/CIR/2025/31 dated March 11, 2025; it does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the stock exchanges for obtaining in-principle approval.

## **LISTING**

Our Company will apply to stock exchanges for final approval for the Listing and Trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

## **CONSENTS**

Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor of the Company, Underwriter, Bankers to the Company, Bankers to the Issue, Registrar to the Issue and Monitoring Agency to include their names in this Draft Letter of Offer / Letter of Offer and to act in their respective capacities.

## **EXPERT OPINION**

Except for the reports in the section titled '*Financial Information*', '*Objects of the Issue*' and '*Statement of Tax Benefits*' on page no. 76, 61 and 70 respectively from the Statutory Auditors, our Company has not obtained any expert opinions.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY**

Our Company has not made any Public Issue/ Rights Issue during last one year immediately preceding the date

of this Draft Letter of Offer except on December 11, 2024, the Board of Directors approved the allotment of 2,80,00,000 (Two Crores Eighty Lacs) Optionally Convertible / Redeemable Preference Shares (OCRPs) of Rs. 10/- each per share aggregating to Rs. 28,00,00,000 (Twenty-Eight Crores) to the allottees various Creditors as per approved Resolution Plan on Preferential basis.

## INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

### Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Further, pursuant to SEBI Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD1/P/ CIR/2023/145 dated July 31, 2023 (updated as on December 20, 2023), the SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

Our Company has a Stakeholders' Relationship Committee which meets at least once in a financial year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. Cameo Corporate Services Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with our Company Secretary and Compliance Officer.

The investor complaints received by our Company are generally disposed of within 21 days from the date of receipt of the complaint. Further our Company, has addressed all of the investor's complaints received for the half year ending September 30, 2025.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue M/s. Bigshare Services Private Limited or our Company Secretary for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. We undertake to resolve the investor grievances in a time bound manner.

In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible, the Company undertakes to resolve the investor grievances in a time bound manner.

Contact details of the Registrar to the Issue and of the Company Secretary are as follows:

| Company Secretary and Compliance Officer   | Registrar to the Issue   |
|--|--|
| <p><b>SUMEET INDUSTRIES LIMITED</b><br/> <b>Address:</b> 504, Trivindh Chambers, 5th Floor, Opp. Fire Brigade Station, Ring Road, Surat - 395002, Gujarat.<br/> <b>Contact Person:</b> Mr. Anil Kumar Sumermal Jain<br/> <b>Contact No.:</b> 0261 2328902<br/> <b>Email id:</b> <a href="mailto:corporate@sumeetindustries.com">corporate@sumeetindustries.com</a></p> | <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b><br/> <b>Address:</b> Office No S6-2, Pinnacle Business Park, 6th, Mahakali Caves Rd, next to Ahura Centre, Shanti Nagar, Andheri East, Mumbai, Maharashtra - 400093<br/> <b>Contact No.:</b> 022- 62638200<br/> <b>Email id:</b> <a href="mailto:rightsissue@bigshareonline.com">rightsissue@bigshareonline.com</a><br/> <b>Investor Grievance Email id:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br/> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br/> <b>Contact Person:</b> Mr. Suraj Gupta<br/> <b>SEBI Registration No.:</b> INR000001385<br/> <b>CIN:</b> U99999MH1994PTC076534</p> |

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## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.*

*The Eligible Equity Shareholders are requested to note that application in this issue can only be made through ASBA.*

*Please note that our Company has opened a separate demat suspense escrow account (namely, “M/s. Sumeet Industries Limited - Unclaimed Securities Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; or (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed / suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.*

**With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are requested to provide relevant details / documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.**

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights

Entitlement Letter. Upon submission of such documents /records no later than two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

## OVERVIEW

This Issue is proposed to be issued on a rights basis and is subject to the terms and conditions contained in the Draft Letter of Offer, Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

## IMPORTANT

### A. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Entitlement Letter, Application Form and other issue material ("*Issue Materials*") only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Draft Letter of Offer, the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

1. Our Company's website at [www.sumeetindustries.com](http://www.sumeetindustries.com);
2. Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com);
3. BSE Limited's website at [www.bseindia.com](http://www.bseindia.com);
4. National Stock Exchange of India Limited's website at [www.nseindia.com](http://www.nseindia.com)

Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form), and PAN. The link for the same shall also be available on the website of our Company at: [www.sumeetindustries.com](http://www.sumeetindustries.com).

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible.

**Please note that, our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.**

The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly and Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or redistributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter or the Common Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Common Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Rights Entitlement Letter or the Common Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Common Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

## **B. Facilities for Application in this Issue**

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page no. 102 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the

Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

### **Facilities for Application in this Issue:**

#### ***a. ASBA facility***

Shareholders may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill in their depository account details PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “***Grounds for Technical Rejection***” on page no. 98 of this draft Letter of Offer. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, the Eligible Equity Shareholders may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI (ICDR) Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements.

#### ***b. Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

- i. If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:
- ii. Apply for its Equity Shares to the full extent of its Rights Entitlements; or
- iii. Apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iv. Apply for Equity Shares to the extent of the part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- v. apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- vi. Renounce its Rights Entitlements in full

#### ***c. Procedure for application through ASBA Facility***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to

the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

#### **Do's for Investors applying through ASBA:**

1. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
2. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
3. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
4. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
5. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
6. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
8. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
9. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020, and press release dated June 25, 2021, and September 17, 2021.

#### **Don'ts for Investors applying through ASBA**

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

3. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.
5. Do not submit Application Form using third party ASBA account.
6. Do not submit Multiple Application Forms.

***d. Application by Specific Investor(s), if any and applicable:***

**In case of renunciation of Rights Entitlement to Specific Investor(s) by our Promoter or members of our Promoter Group**

Our Promoter or members of our Promoter Group may renounce any portion of their Rights Entitlement to one or more Specific Investor(s) subject to disclosure of the same in terms of the SEBI (ICDR) Regulations. The name of the Specific Investor(s) (i.e. the Renounees), the name of our Promoter or members of our Promoter Group (i.e. renouncer) and the number of Rights Entitlements renounced in favour of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date.

In case of such renunciation of Rights Entitlement by our Promoter or members of our Promoter Group to any Specific Investor, all rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Specific Investor(s) (i.e. the Renounees) as well.

Time limit for renouncing of RE by Promoter and members of Promoter Group and credit of RE to specific investor should be specified such that specific investor is able to apply before 11:00 am on Issue Opening Date. On-market RE renunciation may not be possible in such case considering T+2 rolling settlement.

The Application by such Specific Investor(s) shall be made on the Issue Opening Date before 11:00 a.m. (Indian Standard Time) and no withdrawal of such Application by the Specific Investor(s) shall be permitted.

Our Company undertakes to disclose to the Stock Exchanges whether such Specific Investors(s) have made the Application or not, for discontinuities on the latest Opening Date by 11:30 a.m. (Indian Standard Time).

**In case of allotment of any unmaterialized portion of the Rights Issue to Specific Investor**

Our Company may also allot unmaterialized portion of any of the Rights Issue to one or more Specific Investor(s) and the amount of loans transferred and/or additional costs paid upon the public advertisement at least two days prior to the Issue Opening Date. The Application by such Specific Investor(s) shall be made along with their Application Money before the finalisation of Basis of Allotment for unmaterialized portion of the Rights Issue in co-ordination with our Company and Registrar.

***e. Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI (ICDR) Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI (ICDR) Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same sequence and in the same order as recorded with his/her DP, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Sumeet Industries Limited
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order as in the account recorded with our Company or the Depository).
3. DP ID and Client ID in full folio ID.
4. PAN of the Applicant(s) (except for Application on behalf of the Central Government, State Government and the officials appointed by the Court, PAN for Eligible Equity Shareholder and if such Eligible Equity Shareholder is in joint names, PAN of all the holders is mandatory).
5. Number of Equity Shares held as on Record Date.
6. Number of Rights Equity Shares entitled to.
7. Number of Rights Equity Shares applied for within the Rights Entitlements.
8. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for).
9. Total number of Equity Shares applied for.
10. Total Application Amount paid at the rate of ₹ [●]/- per Rights Equity Share.
11. Details of ASBA Account and the SCSB account number, name, address and MICR of the relevant SCSB.
12. In case of non-individual Eligible Equity Shareholders applying from an Indian address, the date of incorporation or establishment and the place of incorporation or establishment of the SCSB with which the account is maintained.
13. Undertaking to the Designated Branch of the SCSB to block the Application Money in the ASBA Account.
14. Signature of the Eligible Equity Shareholder (including joint holders), to be in the same sequence and order as in the application form and as per the records of the SCSB.
15. All such Eligible Equity Shareholders are deemed to have read and understood the “**Instructions for Applicants**” and are deemed to have agreed to the “Undertaking by Applicants – Representations, Warranties and Agreements by Purchasers” on page no. 118 and shall include the following:

*“I/We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any U.S. state securities laws, and may not be offered, sold, resold, pledged, taken up, exercised, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any person in the United States or any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable U.S. state securities laws. The Rights Equity Shares referred to in this application, or the Rights Entitlements in respect thereof, may not be exercised by or on behalf of any person in the United States or any U.S. Person, unless they are outside the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws of such jurisdiction. I/We understand that the Issue is not, and under no circumstances is to be, construed as an offering of any Rights Equity Shares or Rights Entitlements pursuant to the United States, or an offering of any of the said Rights Equity Shares or Rights Entitlements in the United States. I/We confirm that I am/we are not (i) in the United States) and are eligible to subscribe for the Rights Equity Shares under applicable securities laws of such jurisdiction applicable to me/us and I/we confirm that I/we are eligible to do so, and I/we agree that the Company or the Registrar or any other person acting on behalf of the Company will accept subscription from me/us only on this basis. I/We understand that the Company, the Registrar or any other person acting on behalf of the Company has not*

*taken and will not take any action that would permit the Issue or possession or distribution of the Application Form, the Letter of Offer and this Application in the United States.*

*I/We confirm that I am/we are eligible to participate in this issue under the securities laws of our jurisdiction.*

*I/We will not offer, sell, or otherwise transfer any of the Rights Equity Shares which may be allotted to us in any jurisdiction except under circumstances which will not result in the Company or any other person being required to register as a dealer under the laws of such jurisdiction or being required to be licensed or to obtain any other authorization from any governmental or other authority under any law for the time being in force in such jurisdiction. I/We confirm that I am/we are (i) outside the United States and am/are not a U.S. Person (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) and am/are not acting for the account or benefit of a U.S. Person or a person in the United States, (ii) the jurisdiction of our residence, and (iii) eligible to subscribe for and to make an application for the Rights Equity Shares and Rights Entitlements, exercising compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/We understand and agree that the Rights Entitlements and Rights Equity Shares may not be offered, sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S under the U.S. Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.*

*I/We acknowledge that the Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."*

Investors are requested to strictly adhere to these instructions. Failure to do so could lead to an Application being rejected, for which neither the Company nor the Registrar shall have any liability to the Investor. The plain paper Application format will be available on the website of the Registrar.

Our Company and the Registrar shall not be responsible for the Application not being accepted by the SCSB or for any loss or delay in the receipt of ASBA applications on or before the Issue Closing Date.

***f. Procedure for Application by Eligible Shareholders holding Equity Shares in physical form***

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Application by such Eligible Equity Shareholders is subject to following conditions:

1. The Eligible Equity Shareholders are residents;
2. The Eligible Equity Shareholders are not making payment from non-resident account;
3. The Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
4. The Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
3. The remaining procedure for Application shall be same as set out in “***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***” mentioned on page no. 93.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

***g. Application for Additional Equity Shares***

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchanges. Applications for Additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner as set out in ‘***Terms of the Issue***’ on page no. 88.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Additional general instructions for Investors in relation to making of an Application

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
2. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
3. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled “***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***” on page no. 93.
4. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 2.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
5. Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
6. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

7. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
8. By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
9. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
10. Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
11. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
12. All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
13. Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
14. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
15. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
16. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
17. Do not pay the Application Money in cash, by money order, pay order or postal order.

18. Do not submit Multiple Applications.
19. An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules, as amended.
20. Ensure that your PAN is linked with Aadhaar, and you are in compliance with CBDDT notification dated February 13, 2020, and press release dated June 25, 2021, and September 17, 2021.

***h. Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form;

16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

**DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE.**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, and Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

***i. Multiple Applications***

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '**Procedure for**

*Applications by Mutual Funds'* below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected.

***j. Procedure for Application by Certain Categories of Investors***

**1. Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized Stock Exchanges in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

**2. Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCsBs that are

providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### **3. Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized Stock Exchanges in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Rights Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

### **4. Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### **5. Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### ***k. Last date for Application***

The last date for submission of the duly filled in Application Form or a plain paper Application is [●], i.e. Issue Closing Date. Our Board may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application together with the amount payable is either (i) not blocked with an SCSB; (ii) not received by the Bankers to the Issue on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof; or (iii) not uploaded with Stock Exchanges, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under "**Terms of the Issue**" on page no. 88 of this Draft Letter of Offer.

### ***l. Withdrawal of Application***

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post 2.00 p.m. (Indian Standard Time) on the Issue Closing Date.

### ***m. Disposal of Application and Application Money***

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or a committee thereof reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 2 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law. For further instructions, please read the Application Form carefully.

## **CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

### **Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar i.e., [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date). The link for the same shall also be available on the website of our Company i.e. [www.sumeetindustries.com](http://www.sumeetindustries.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the Demat Suspense Account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat by sending ISR-1, ISR-2 (in case signature not matched with RTA record), ISR-4 with copy of PAN, original Cancelled cheque (name of 1st shareholder should be printed on it), Copy of CML (client master) to RTA in original. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form.

## **RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**

### **Renounees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounees as well.

### **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

### **Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

**(a) On Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of exchange under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

**(b) Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounces on or prior to the Issue Closing Date to enable Renounces to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchanges, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

#### **Mode of payment for Non-Resident Investors**

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

## **BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement, see “*The Issue*” on page no. 52.

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties, and the application forms shall be non-negotiable.

### **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue, shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

### **Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company will apply for in-principle approval from the BSE and NSE. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 514211) and NSE (Script Name: SUMEETINDS) under the ISIN: INE235C01036. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within one Working Day of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within one Working Day after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of such period, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

### **Subscription to this Issue by our Promoter and members of our Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of our Promoter Group, see “*Summary of Draft Letter of Offer*” on page no. 18.

### **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d. The right to free transferability of Rights Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

## **GENERAL TERMS OF THE ISSUE**

### **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

### **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

## **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

## **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

## **Notices**

Our Company will send through email and speed post, Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Gujarat, where our Registered Office is situated). The Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

## **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com). It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue, and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts' basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree

to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

## ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 110.**

| EVENT  | DATE |
|--|------|
| LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS                  | [●]  |
| ISSUE OPENING DATE   | [●]  |
| LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS* | [●]  |
| ISSUE CLOSING DATE**   | [●]  |
| FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)             | [●]  |
| DATE OF ALLOTMENT (ON OR ABOUT)                              | [●]  |
| DATE OF CREDIT (ON OR ABOUT)                                 | [●]  |
| DATE OF LISTING (ON OR ABOUT)                                | [●]  |

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

*\*\* Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

## BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchanges, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchanges and will not be a preferential allotment.

c. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchanges, as a part of this Issue and will not be a preferential allotment.

Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchanges, as a part of this Issue and will not be a preferential allotment.

Allotment to any specific investor(s) disclosed by our Company in terms of the SEBI (ICDR) Regulations before opening of the Issue, provided there is surplus available after making full Allotment under (a), (b), (c) and (d) above

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

#### **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in Demat Suspense Account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within one Working Day from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at such other rate as specified under applicable law from the expiry of such period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be ‘unsubscribed’. Upon approval of the Basis of Allotment by the Designated Stock Exchanges, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue.

## **PAYMENT OF REFUND**

### **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of processing of refunds. The payment of refund through NEFT is mandatory for Applicants having a bank account at any of the centres where NEFT facility has been made available by RBI (subject to availability of all information for crediting the refund through NEFT including the IFSC code from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NACH or Direct Credit or RTGS.
- (d) **Direct Credit** – Payment of refund shall be undertaken through Direct Credit for Applicants having an account with the Escrow Collection Bank, subject to availability of complete bank account details from the depositories.
- (e) **RTGS** – Real Time Gross Settlement is a fund transfer mechanism where transfer of money takes place from one bank to another on a ‘real time’ and on ‘gross’ basis. Payment of refund shall be undertaken through RTGS wherever the Investors’ bank has been assigned the IFSC Code, which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of processing of refunds. The payment of refund through RTGS is mandatory for Applicants having a bank account at any of the centres where RTGS facility has been made available by RBI (subject to availability of all information for crediting the refund through RTGS including the IFSC code from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NACH or NEFT or Direct Credit.
- (f) **Refund Orders** – Payment of refund shall be undertaken through Refund Orders for Applicants not covered under any of the above modes.
- (g) The Registrar shall endeavour to make the refunds within such period as prescribed under the SEBI (ICDR) Regulations. In case of delay in refund of Application Money beyond such period as prescribed under applicable law, our Company shall pay interest for the delayed period at such rate as prescribed under applicable law.

## **ALLOTMENT ADVICE OR CREDIT OF SECURITIES**

The credit of securities to the respective beneficiary accounts will be credited within two days from the Issue Closing Date or as per other timeline in accordance with applicable laws.

### **Receipt of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT IN THE SAME ORDER OF NAMES, IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTORS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE**

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**ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

The Rights Equity Shares shall be allotted in dematerialized form as our Company has signed two agreements with the respective Depositories and the Registrar to the Issuer, which enables the Investors to hold and trade in the Securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

- a. Tripartite agreement dated December 12, 2001, amongst our Company, NSDL and the Registrar to the Issuer.
- b. Tripartite agreement dated December 12, 2001, amongst our Company, CDSL and the Registrar to the Issuer.

**INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

The investor should have a beneficiary account with any depository participant. (One should ensure that the beneficiary account should carry the name(s) in the same order as the name(s) of the applicant in the records of our Company. In the case of joint holding, the beneficiary account should be in the names of the holders in the same order as registered in the records of our Company). In case of investors having various holdings in our Company with different joint holders, the investor should have a separate account for such holding. Those investors who have already opened such beneficiary account(s) need not follow this step.

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form viz-a-viz such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, on their registered email address or through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two clear Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

## IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- i. makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or*
- ii. makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or*
- iii. Otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.10 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹0.10 crore or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹0.50 crore or with both.

## UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- i. All monies received out of this Issue shall be transferred to a separate bank account;
- ii. Details of all monies utilized out of this Issue referred to under (i) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- iii. Details of all unutilized monies out of this Issue referred to under (i) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchanges, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc., other than as disclosed in accordance with the Regulation 56.
5. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
7. Adequate arrangements shall be made to collect all ASBA applications.

8. As of the date of this Draft Letter of Offer, our Company had not issued any outstanding convertible debt instruments. Further, except as disclosed in this Draft Letter of Offer, our Company has not issued any outstanding convertible debt instrument
9. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirm that it has made all reasonable enquiries to ascertain such facts.

## IMPORTANT

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed, otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**Sumeet Industries Limited– Rights Issue**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

**BIGSHARE SERVICES PRIVATE LIMITED**

**Address:** Office No S6-2, Pinnacle Business Park, 6th, Mahakali Caves Rd, next to Ahura Centre, Shanti Nagar, Andheri East, Mumbai, Maharashtra - 400093

**Contact No.:** 022- 62638200

**Email id:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

**Investor Grievance Email id:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Mr. Suraj Gupta

**SEBI Registration No.:** INR000001385

**CIN:** U99999MH1994PTC076534

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar [www.bigshareonline.com](http://www.bigshareonline.com).

This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

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## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “*automatic route*”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “*government route*”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the consolidated FDI Policy Circular of 2020 (***‘FDI Circular 2020’***), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign

Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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**RESTRICTIONS ON PURCHASES AND REALES*****Eligibility and Restrictions******General***

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI and the Stock Exchanges.

Pursuant to the requirements of the SEBI (ICDR) Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Draft Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

**No offer in the United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States

or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Draft letter of offer into the United States at any time.

### **Representations, Warranties and Agreements by Purchasers**

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in offshore transactions in reliance on Regulation S. In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Draft Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “**purchaser**”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “**directed selling efforts**” in the United States (as such term is defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Draft Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements

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except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Draft Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Draft Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE, NSE and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE, NSE (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "**Exchange Information**"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company or any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company; and (ii) neither any intermediary nor any of their affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by any intermediary or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any intermediary or any of its affiliates.
14. The purchaser will not hold our Company or its affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this

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Draft Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.

16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Draft Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company, its affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

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**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 A.M. and 5 P.M. on all working days from the date of filing of the Letter of Offer until the Issue Closing Date. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at [www.sumeetindustries.com](http://www.sumeetindustries.com) from the date of this Draft Letter of Offer until the Issue Closing Date.

**MATERIAL CONTRACTS FOR THE ISSUE**

1. Registrar Agreement dated February 25, 2026.
2. Bankers to the Issue Agreement dated March 10, 2026 amongst our Company, and the Registrar to the Issue and the Escrow Collection Bank(s).
3. Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar to the Issue;
4. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
5. Monitoring Agency Agreement dated March 11, 2026 amongst our Company, the Registrar to the Issue, and the Monitoring Agency to the Issue.

**MATERIAL DOCUMENTS IN RELATION TO THE ISSUE**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificates of Incorporation of our Company;
3. Resolution of our Board of Directors dated January 19, 2026, approving the Rights Issue;
4. Resolution of our Board dated March 17, 2026, approving the Draft Letter of Offer;
5. Annual Reports of the Company for the last three years and the Unaudited Financial Statements for the period ended September 30, 2025.
6. Resolution of our Board of Directors dated [●] finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
7. Resolution of our Board of Directors dated [●], approving the Letter of Offer;
8. Consents of our Directors, Bankers to our Company, Bankers to the Issue and the Registrar to the Issue for inclusion of their names in the Offer Document to act in their respective capacities;
9. Report on Statement of Special Tax Benefits dated February 27, 2026, for our Company from the Statutory Auditors of our Company;
10. In-principle approval granted by BSE on [●] and by NSE on [●]

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

We hereby certify that no statements made in this Draft Letter of Offer contravene any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder, or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTORS' & KMPS' OF OUR COMPANY**

|  |   |
|--|---|
| <b>Sd/-</b><br><br>_____<br>PRATIK RAJESH JAJU<br>(Managing Director)<br>DIN: 01899119             | <b>Sd/-</b><br><br>_____<br>RADHESHYAM BHAWARLAL JAJU<br>(Chairman and Director)<br>DIN: 00789902 |
| <b>Sd/-</b><br><br>_____<br>ROHAN DIPAKBHAI MODH<br>(Whole Time Director)<br>DIN: 10595328         | <b>Sd/-</b><br><br>_____<br>ANKITA SIDDHARTH SHAH<br>(Independent Director)<br>DIN: 10724963      |
| <b>Sd/-</b><br><br>_____<br>PRACHI ANKUR GANDHI<br>(Independent Director)<br>DIN: 06936663         | <b>Sd/-</b><br><br>_____<br>SAURAV SANTOSH DUGAR<br>(Independent Director)<br>DIN: 08937448       |
| <b>Sd/-</b><br><br>_____<br>ANIL KUMAR SUMERMAL JAIN<br>(Company Secretary and Compliance Officer) | <b>Sd/-</b><br><br>_____<br>ABHISHEK MAHENDRA PRASAD<br>(C.F.O)                                   |

**Place:** Surat

**Date:** March 17, 2026