BASIS FOR ISSUE PRICE

*Investors should read the following summary with the sections titled "**Risk Factors**", the details about the company under the section titled "**Our Business**" and its financial statements under the section titled "**Restated Financial Statements**" beginning on pages 22, 130 and 183 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.*

The Price Band and then after the Issue Price has been determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the quantitative and qualitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and Issue Price is **6.6** times of the face value at the lower end of the Price Band and **7.0** times of the face value at the upper end of the Price Band.

Qualitative Factors

We believe that the following business strengths allow us to successfully compete in the industry:

- Experienced Promoters having deep domain knowledge to scale up the business
- Diversified customers and supplier's base
- Wide geographic presence
- Vast and versatile product portfolio for women
- Ability to buy in bulk quantities
- Long standing relationship with job workers
- Management team with an established track record
- Established track record of successfully completed orders
- Efficient operational team

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled "***Our Business***" beginning on page 130 of this Prospectus.

Quantitative Factors

The information presented below relating to our company is based on the Restated Financial Statements of the Company for the financial year ended March 31, 2026, 2025 and 2024. For more details, please refer the section titled "***Restated Financial Statements***" beginning on page 183 of this Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings per Share ("EPS") (Post Bonus) (Face Value of ₹ 10/- each)

	Basic & Diluted	
	EPS (in ₹)	Weights
Financial year ending on March 31, 2026	8.13	3
Financial year ending on March 31, 2025	6.86	2
Financial year ending on March 31, 2024	3.41	1
Weighted Average (of the above three financial years)	**6.92**	

#EPS is calculated post adjustment of Bonus Issue vide the Board resolution dated September 11, 2025.

Notes:

a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS } (₹) = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS } (₹) = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

c. The figures disclosed above are based on the Restated Financial Statements of the Company.

d. Basic and Diluted EPS calculations are in accordance with ***Accounting Standard 20 - "Earnings per Share"***, issued by the Institute of Chartered Accountants of India.

e. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled "***Restated Financial Statements***" beginning on page 183 of this Prospectus.

2. Price Earnings Ratio ("P/E") in relation to the Price Band of ₹ 66 to ₹ 70 per Equity Share of Face Value of Rs. 10/- each fully paid up:

Particulars	P/E Ratio at the Floor Price	P/E Ratio at the Cap Price
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2026	8.12	8.61
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2025	9.62	10.20
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2024	19.35	20.53
P/E ratio based on the Weighted Average EPS, as restated	9.54	10.12

**The details shall be provided post the fixing of the price band by our company at the stage of filing of the price band advertisement.*

Notes:

i. The P/E Ratio of our company has been computed by dividing Issue Price with EPS.

Industry PE

Particulars	P/E Ratio*
Highest	15.03
Lowest	9.32
Industry Composite	12.18

** Closing market price of the peers considered as on July 14, 2026.*

P/E ratio has been computed based on the closing market price of equity shares on NSE as on July 14, 2026, divided by the diluted EPS for the year ended March 31, 2026.

3. Return on Net worth (RONW)

Period / Year ended	RoNW (%)	Weight
Financial Year ended on March 31, 2026	21.28%	3
Financial Year ended on March 31, 2025	22.84%	2
Financial Year ended on March 31, 2024	14.70%	1
Weighted Average (of the above three financial years)	**20.70%**	

Notes:

i) Return on Net worth has been calculated as per the following formula:

$$\text{RONW} = \frac{\text{Net profit/loss after tax,as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

$$\text{Weighted Average} = \frac{\text{Aggregate of year-wise weighted RoNW i,e (RoNW x Weights) } \textit{for each year}}{\text{Aggregate of Weights}}$$

iii) The figures disclosed above are based on the Restated Financial Statements of the company.

4. Net Asset Value (NAV) Per Equity Share (Post Bonus)

Financial Year	NAV (in ₹)
NAV as at March 31, 2026	38.17
NAV as at March 31, 2025	30.05
NAV as at March 31, 2024	23.18
NAV per Equity share after the Issue	46.85
Issue Price per Equity Share	70

#NAV is calculated post adjustment of Bonus Issue vide the Board resolution dated September 11, 2025.

Notes:

i. Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

ii. The figures disclosed above are based on the Restated Financial Statements of the company.

iii. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.

iv. Issue Price per Equity Share will be determined by our company in consultation with the BRLM.

5. Comparison of Accounting Ratios with Industry Peers

Name of the Company	Latest Financial Year (on a standalone basis	Face Value (₹)	Current Market Price*	EPS (₹)		P/E Ratio*	RoNW (%)	Net Asset Value Per Share (in ₹)	Total Income (₹ in Lakhs)
				Basic	Diluted				
Shree Balaji (Mala) Textiles Limited (Our company) **	March 31, 2026	10.00	70	8.13	8.13	8.61	21.28%	38.17	21,239.90
N R Vandana Tex Industries Limited	March 31, 2026	10.00	71.10	4.73	4.73	15.03	14.43%	31.11	30,469.12
Saraswati Saree Depot Ltd	March 31, 2026	10.00	54.87	5.89	5.89	9.32	12.02%	49.16	63,597.30

**Pursuant to the certificate dated July 14, 2026, issued by M/s. D. Banka & Co., Chartered Accountants.*

Source: All the financial information for listed industry peer mentioned above is sourced from the audited financials of the aforesaid companies for the year ended March 31, 2026 and stock exchange data dated July 14, 2026 to compute the corresponding financial ratios for the financial year ended March 31, 2026. The current market price and related figures are as on July 14, 2026 (as per NSE).

Notes:

1. P/E figures for the peers are based on closing market prices of equity shares on NSE on July 14, 2026 divided by the Diluted EPS as at March 31, 2026.
2. EPS refers to the Diluted EPS calculated based on the net profit after tax for FY 25-26, divided by the number of outstanding shares as per the Financials of FY 25-26.
3. Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2026 divided by Net Worth as on March 31, 2026.
4. NAV per share for listed peers is sourced from the audited financials of FY 25-26 the listed peer companies.

**The details shall be provided post the fixing of the price band by our Company at the stage of the Prospectus or the filing of the price band advertisement.

6. Key Financial and Operational Performance Indicators ("KPIs")

Our company considers that KPIs included herein below have a bearing for arriving at the basis for issue price. The KPIs disclosed below have been used historically by our company to understand and analyze the business performance, which in result, help us in analysing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 10, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the KPIs herein have been certified by M/s. D. Banka & Co., Chartered Accountants, by their certificate dated June 10, 2026 vide UDIN 26053319YKBUZE5511. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Prospectus.

For the details of our key performance indicators, see sections titled ***"Risk Factors" "Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"*** on pages 22, 130 and 195 respectively of this Prospectus. We have described and defined them, where applicable, in ***"Definitions and Abbreviations"*** section on page 01 of the Prospectus. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the ***Objects of the Issue***, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company

KPI Indicators

(Amount in Lakhs, except EPS, % and ratios)

Performance	Shree Balaji (Mala) Textiles Limited		
	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations [1]	21,197.18	19,304.37	19,554.07
Growth in revenue from operations (%)	9.81%	(1.28%)	(0.35%)
Total Income [2]	21,239.90	19,343.56	19,589.37
EBITDA [3]	1,550.10	1,320.29	1,022.69
EBITDA Margin (%) [4]	7.30%	6.83%	5.22%
PAT [5]	585.42	494.61	245.64
PAT Margin (%) [6]	2.76%	2.56%	1.26%
RoE (%) [7]	23.82%	25.79%	15.87%
RoCE (%) [8]	15.65%	18.17%	14.41%
Debt- Equity Ratio [9]	2.51	2.25	3.08

Notes:

(1) Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.

(2) Total income includes revenue from operations and other income.

(3) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.

(4) EBITDA margin is calculated as EBITDA as a percentage of total income.

(5) Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations.

(6) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

(7) Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Net worth at the end of respective period/year. Networth means aggregate value of the paid-up equity share capital and reserves & surplus.

(8) ROE is calculated as Net profit after tax divided by Average Equity.

(9) Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of tangible networth, total debt and deferred tax liabilities)

(10) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

KPI	Explanation
Revenue from operations:	Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
EBITDA:	EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company
EBITDA margin:	EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortisation, and taxes.
Restated profit for the period / year:	Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
Restated profit for the period / year margin:	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
Return on Equity (“RoE”):	ROE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.
Return on Capital Employed (“RoCE”):	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoCE is indicative of the profit generation by our Company against the capital employed.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder’s equity to company debt to assess our company’s amount of leverage and financial stability.

Set forth the description of historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.

For evaluation our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Financial Information. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

7. COMPARISON OF FINANCIAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:

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(in ₹ lakhs, unless otherwise indicated)

Particulars	SHREE BALAJI (MALA) TEXTILES LIMITED			N R VANDANA TEX INDUSTRIES LIMITED			SARASWATI SAREE DEPOT LIMITED		
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Operations	21,197.18	19,304.37	19,554.07	30,414.97	27,080.25	22,010.80	63,116.20	61,361.30	61,090.40
Growth in Revenue from Operations (%)	9.81%	(1.28%)	(0.35%)	12.31%	23.03%	12.74%	2.86%	0.44%	1.50%
Total Income	21,239.90	19,343.56	19,589.37	30,469.12	27,110.22	22,021.22	63,597.30	61,717.60	61,258.00
EBITDA	1,550.10	1,320.29	1,022.69	2,432.09	1,957.93	1,395.92	3,780.80	4,655.30	4,281.80
EBITDA Margin (%)*	7.30%	6.83%	5.22%	7.98%	7.22%	6.34%	5.94%	7.54%	6.99%
Net Profit for the Year	585.42	494.61	245.64	1,045.94	821.31	418.91	2,340.60	3,057.60	2,952.80
PAT Margin (%)	2.76%	2.56%	1.26%	3.44%	3.03%	1.90%	3.71%	4.98%	4.83%
Return on Equity (RoE) (%)	23.82%	25.79%	15.87%	19.10%	25.09%	17.11%	12.57%	25.19%	58.88%
Return on Capital Employed (RoCE) (%)	15.65%	18.17%	14.41%	13.78%	18.05%	13.80%	16.50%	21.69%	38.68%
Debt-Equity ratio	2.51	2.25	3.08	1.40	1.86	2.43	0.00	0.02	0.67

Notes:

1. Revenue from Operations: This represents the income generated by the Company from its core operating operation. This gives information regarding the scale of operations. Other Income is the income generated by the Company from its non-core operations.
2. Total income includes revenue from operations and other income.

3. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax for the year and adding back interest cost, depreciation, and amortization expense.
4. EBITDA margin is calculated as EBITDA as a percentage of Total Income.
5. PAT: Profit for the year represents the restated profits of the Company after deducting all expenses.
6. PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations.
7. Return on Equity is calculated as Profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by average equity. Average equity is calculated as average of opening and closing balance of total equity (Shareholders' funds) for the year.
8. Return on capital employed calculated as Earnings before interest (excluding lease liabilities and other borrowing cost) and taxes divided by capital employed as at the end of respective year. (Capital employed calculated as the aggregate value of tangible net worth, total debt and deferred tax liability)
9. Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

FOR SHREE BALAJI (MALA) TEXTILES LIMITED

Figures are taken from the restated financial statements For FY 2026, FY 2025 and FY 2024.

FOR N R VANDANA TEX INDUSTRIES LIMITED

For FY 2024, the data has been considered from the company's PROSPECTUS and For the FY 2025 and FY 2026 the data has been considered from consolidated audited financial statements.

FOR SARASWATI SAREE DEPOT LIMITED

For FY 2024 the data has been considered from the company's PROSPECTUS. And For FY 2025 and FY 2026 the data has been considered from audited financial statements.

8. Weighted Average Cost of Acquisition (WACA), Floor Price and Cap Price

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

The Company has not issued any Equity Shares or convertible securities, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of allotment	No. of Equity Shares allotted	Face Value	Issue Price	Nature of allotment	Nature of Consideration	Total of Consideration (₹ in Lakhs)
NIL						

(b) Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) or Promoters or members of the Promoter Group or other shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Weighted average cost of acquisition (WACA), floor price and cap price for the last 3 years preceding the PROSPECTUS:

The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).

Since there are no such transactions to report under 7 (a) and 7 (b), the details of issuance of Equity Shares or convertible securities during the 3 years preceding the date of this Prospectus, based on last 5 primary or secondary transactions where promoter/promoter group entities or shareholders selling shares through offer for sale in IPO or shareholders having the right to nominate directors in the Board of the issuer company, are party to the transaction), irrespective of the size of the transactions, is as follows:

Date of allotment	No. of Shares	Face Value	Issue/transfer Price	Nature of Allotment	Nature of Consideration
May 19, 2026	22,00,000	10	NA	Transfer of Share from Rishika Kedia	Consideration other than Cash (Gift)

Further we had not undertaken any primary / new issuance of Equity Shares or any convertible securities during the period of preceding three years from the date of this Prospectus except for issuance of equity shares on bonus issue as disclosed in the section entitled "***Capital Structure***" on page no. 77 of this Prospectus.

d) Weighted average cost of acquisition, floor price and cap price:

Type of transaction	Weighted average cost of acquisition (₹ per equity share)	Floor Price	Cap Price
I. Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested),in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA		
II. Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities, where promoter/ promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five percent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested),in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA		
II. Since there are no such transactions to report to under (I) and (II) above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Prospectus irrespective of the size of the transaction, is as below			
WACA of primary / new issue acquisition	NA	NA	NA
WACA of secondary acquisition	NA	NA	NA

The Offer Price is 7.0 times the face value of the Equity Shares.

The Issue Price of ₹ 70 has been determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the demand from investors for the Equity Shares through the Book Building Method. Investors should read the abovementioned information along with "***Risk Factors***, "***Our Business***" and "***Restated Financial Information***" beginning on pages 22, 130 and 183 respectively, to have a more informed view.