BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled "**Risk Factors**", the details about our Company under the section titled **"Our Business"** and its financial statements under the section titled **"Restated Financial Statements"** beginning on page 18, 102 and 151 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 12 times of the face value at the lower end of the Price Band and 12.70 times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer "***Risk Factors***", "***Our Business***" and "***Restated Financial Statements***" beginning on page *18, 102 and 151* respectively of this Red Herring Prospectus.

QUALITATIVE FACTORS

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

a) In-house manufacturing facility with quality control mechanism
b) Widespread reach in international markets
c) Integrated expertise in high performance technical garments
d) Qualified and Experienced Management Team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page *102* of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Restated Financial Statements"*** on page *151* of this Red Herring Prospectus.

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

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):

As per the Restated Financial Statements:

Sr. No	Financial Year	Basic & Diluted (₹)	Weights
1.	Financial Year 2023-2024	11.21	1
2.	Financial Year 2024-2025	4.95	2
3.	Financial Year 2025-2026	11.99	3
	Weighted Average	**9.51**	

Notes:

i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
ii. *The face value of each Equity Share is ₹10.00.*
iii. *Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*
iv. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.*
v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year.*
vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year.*

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹120 to ₹127 per Equity Share of Face Value of ₹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 & Diluted EPS, as restated for FY 2025-2026	10.01	10.59
P/E ratio based on the Weighted Average EPS, as restated.	12.62	13.35

Industry P/E Ratio*	(P/E)^ Ratio
Highest (Gokaldas Exports Limited)	60.84
Lowest (S P Apparels Limited)	23.21

Industry P/E Ratio*	(P/E)^ Ratio
Industry Average	**42.02**

** For the purpose of industry, we have considered those companies which are engaged in the similar line of business segment as of our Company, however, they may not be exactly comparable in terms of product portfolio or the size of our Company. The peers have been included for the purpose of broad comparison.*
^ Diluted EPS of F.Y. 25-26.
Note:
i) The P/E ratio of our Company has been computed by dividing Issue Price with EPS.
ii) P/E Ratio of the peer company is based on the Audited Results for the F.Y. 2025-26 and stock exchange data dated August 21, 2026.

3. Average Return on Return on Net worth (RoNW)

Sr. No	Period	RoNW (%)	Weights
1	Financial Year 2023-2024	31.82%	1
2	Financial Year 2024-2025	35.44%	2
3	Financial Year 2025-2026	47.98%	3
	Weighted Average	**41.11%**	

Note:
1. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
2. *The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year*
3. *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/ Total of weights.*

4. Net Asset Value (NAV) per Equity Share:

(₹ in lakhs)

Sr. No.	NAV per Equity Share	Outstanding at the end of the year
1.	As at March 31, 2024	35.23
2.	As at March 31, 2025	13.96
3.	As at March 31, 2026	24.99
4.	NAV per Equity Share after the Issue	
	i. Floor Price	50.07
	ii. Cap Price	51.92
5.	Issue Price	[●]

Notes: -
1. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
2. *NAV per share =Restated Net worth at the end of the year/period divided by Weighted average number of equity shares outstanding at the end of the year.*
3. *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 but excluding the revelation reserve.*
4. *Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.*

5. Comparison of Accounting Ratios with Industry Peers:

Name of Company	Current Market Price (₹)	Face Value	EPS		PE	RoNW (%)	Book Value (₹)	Total Income (₹ in lakhs)
			Basic	Diluted				
Qualiance International Limited	[●]	10	11.99	11.99	[●]	47.98%	24.99	8,095.39
Peer Group								
Gokaldas Exports Limited	797.60	5	13.71	13.11	60.84	4.63%	294.95	4,06,495.85
S P Apparels Limited	930.45	10	40.22	40.09	23.21	10.67%	376.36	1,59,675.70

Notes:
- i) *Source-All the financial informations for listed industry peers are sourced from their audited financial results for the year ended March 31, 2026 as available on the stock exchange.*
- ii) *Market Price for the listed peer mentioned above is sourced from stock exchange data dated August 21, 2026 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the issue price of equity share.*
- iii) *Further, P/E Ratio is based on the current market price of the respective scrips.*
- iv) *The EPS, NAV, RoNW and Total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2025-26.*
- v) *NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2026.*
- vi) *P/E Ratio of the peer company is sourced from their audited financial results for the year ended March 31, 2026 and stock exchange data dated August 21, 2026.*
- vii) *RoNW has been computed as net profit after tax divided by closing net worth.*

viii) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
ix) The face value of Equity Shares of our Company is ₹10/- per Equity Share and the Issue price is [●] times the face value of equity share.

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 14, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. 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 Red Herring Prospectus. Further, the KPIs herein have been certified by R K Jagetiya & Co**.** Chartered Accountants, by their certificate dated August 14, 2026.

The KPIs of our Company have been disclosed in the sections titled ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"*** on page ***Error! Bookmark not defined.*** and ***Error! Bookmark not defined.*** respectively of this Red Herring Prospectus. We have described and defined the KPIs, as applicable, in ***"Definitions and Abbreviations"*** on page ***Error! Bookmark not defined.*** of this Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	As of and for the year ending		
	FY 2025-26	FY 2024-25	FY 2023-24
Revenue from operations(1)	7,689.11	5,307.24	3,722.94
EBITDA(2)	1,671.67	797.05	486.15
EBITDA Margin(3)	21.74%	15.02%	13.06%
PAT(4)	1,186.90	489.85	283.93
PAT Margin(5)	15.44%	9.23%	7.63%
RoCE(%)(6)	37.33%	21.16%	18.94%
RoE (%)(7)	61.56%	43.07%	85.93%
Net Worth(8)	2,473.65	1,382.25	892.40

Notes:

(1) *Revenue from operation means revenue from operating activities*
(2) *EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income+ + Loss on sale of PPE + Assets Discarded*
(3) *'EBITDA Margin' is calculated as EBITDA as a percentage of revenue from operations.*
(4) *'PAT represents total net profit after tax for the period/year available for parent equity shareholder.*
(5) *'PAT Margin' is calculated as PAT divided by revenue from operations.*
(6) *'RoCE is calculated as EBIT divided by capital employed where (i) EBIT means PAT + Tax Expenses + interest expense (ii) Capital employed means Net worth (excluding revaluation reserve) + total current & non-current borrowings + DTL-DTA as appearing in financial statements.*
(7) *'ROE is calculated as PAT (excluding of extra ordinary losses) as divided by Net worth (excluding revaluation reserve).*
(8) *'Net worth means Equity share capital + Reserves and surplus (including Securities Premium, General Reserve and surplus in statement of profit and loss but excluding Revaluation Reserve).*

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
ROE (%)	ROE provides how efficiently our Company generates profits from shareholders' funds.

KPI	Explanations
ROCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

Key Financial Performance	Qualiance International Limited			Gokaldas Exports Limited			S P Apparels Limited		
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations(1)	7,689.11	5,307.24	3,722.94	3,98,763.81	3,86,423.96	2,37,888.47	1,57,863.70	1,39,513.40	1,08,735.50
EBITDA(2)	1,671.67	797.05	486.15	35,635.62	42,390.00	28,410.00	21,145.70	20,000	17,409.00
EBITDA Margin(3)	21.74%	15.02%	13.06%	8.94%	11.40%	11.80%	13.39%	14.34%	16.01%
PAT(4)	1,186.90	489.85	283.93	10,013.18	15,854.09	13,097.20	10,094.5	9,510.2	8,962.50
PAT Margin %(5)	15.44%	9.23%	7.63%	2.51%	4.00%	5.40%	6.39%	6.82%	8.24%
Net Worth (6)	2,473.65	1,382.25	892.40	2,16,039.93	2,08,068.00	1,29,134	94,612.60	85,634.30	76,364.20
RoE(%) (7)	61.56%	43.07%	85.93%	4.72%	9.40%	12.00%	11.20%	11.74%	12.47%
RoCE (%)(8)	37.33%	21.16%	18.94%	8.71%	13.10%	22.00%	13.28%	11.72%	13.54%

Notes:

i) 'Revenue from Operations' means the Revenue from Operations as appearing in the Restated Financial Statements

ii) 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

iii) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

iv) 'PAT' is calculated as Profit before tax – Tax Expenses.

v) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

vi) 'Net worth' means the aggregate value of the paid-up share capital and reserves and surplus of the company.

vii) 'Return on Equity' is ratio of Profit after Tax and Average Shareholder Equity

viii) 'Return on Capital Employed' is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}Plus DTL minus DTA

8. Weighted average cost of acquisition

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

There has been no issuance of Equity Shares, during the 18 months preceding the date of this Red Herring 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 30 days ("Primary Issue").

b) The price per share of our Company based on the secondary sale/acquisition of shares (equity shares)

Except as disclosed below, there is 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 of shares), during the 18 months preceding the date of this certificate, 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.

Date of Transferee	Name of Transferor	Name of Transferee	No. of equity shares	Percentage of pre issue share capital of the company	Transfer Price per Equity Share (₹)	Total Consideration (in ₹ lakhs)
August 29, 2026	Krupa Rajesh Badani	RJ HUF *(through its Karta Ramesh Thakurdas Jaisinghani)*	2,64,259	5.58%	127	701.04
	Rajesh Jagmohandas Badani		2,87,741			
	Pratiksha Vipul Badani	Eterna Prima-Scheme II	3,15,000	3.18%	127	400.05
	Sneha Bhoomin Badani	Vinod Kumar Lodha	79,000	0.80%	127	100.33
		Naresh Kumar Bhargava	79,000	0.80%	127	100.33

Date of Transferee	Name of Transferor	Name of Transferee	No. of equity shares	Percentage of pre issue share capital of the company	Transfer Price per Equity Share (₹)	Total Consideration (in ₹ lakhs)
		Sanjay Popatlal Jain	72,000	0.73%	127	91.44

c) Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e., ₹ 120)	Cap price (i.e., ₹ 127)
Weighted average cost of acquisition of primary/ new issue as per paragraph 8(a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale/ acquisition as per paragraph 8(b) above.	127	0.94	1.00

^There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above in last 18 months prior to the date of this Red Herring Prospectus.

d) Detailed explanation for Issue Price/ Cap Price 12.70 times of WACA of primary issuances/ secondary transactions of Equity Shares (as disclosed above) along with our Company's KPIs and financial ratios for Fiscals 2026, 2025 and 2024:

1. The Cap Price has been determined after considering, the Company's operational and financial performance, including the growth in Revenue from Operations from ₹3,722.94 lakhs in Fiscal 2024 to ₹5,307.24 lakh in Fiscal 2025 and ₹7,689.11 lakhs in Fiscal 2026. During the same period, EBITDA increased from ₹486.15 lakhs in Fiscal 2024 to ₹797.05 lakh in Fiscal 2025 and ₹1,671.67 lakhs in Fiscal 2026. The EBITDA Margin was 13.06%, 15.02% and 21.74% in Fiscals 2024, 2025 and 2026, respectively.
2. The Company reported PAT of ₹1,186.90 lakhs in Fiscal 2026 over PAT of ₹283.93 lakhs in Fiscal 2024. The Company's PAT increased at a CAGR of 104.46% between Fiscals 2024 and 2026.
3. The Cap Price has been determined after considering, inter alia, the Company's manufacturing capabilities, design capabilities with focus on customer specifications and quality standards and product portfolio, and the experience of its promoters and management team, along with the Company's KPIs and financial performance for Fiscals 2024, 2025 and 2026.

e) Explanation for the Issue Price/Cap Price, being 1.00 times of WACA of primary issuances/ secondary transactions of Equity Shares (as disclosed above) in view of the external factors which may have influenced the pricing of the Issue.

The Cap Price has been determined considering the positive growth outlook for the Indian textiles and apparel sector, supported by government initiatives and policy measures promoting domestic manufacturing and infrastructure. Rising domestic consumption, export opportunities, investments and demand for value-added textile products are expected to drive growth. India's competitive advantages in raw materials, skilled manpower and cost efficiency, along with increasing adoption of sustainable and technology-enabled practices, further strengthen the sector's long-term prospects.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and one Marathi edition of regional newspaper Pratahkal where the registered office of the company is situated each with wide circulation.

The Issue Price of ₹[●] shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with ***"Our Business", "Risk Factors" and "Restated Financial Statements"*** on page ***Error! Bookmark not defined.***, ***Error! Bookmark not defined.*** and ***Error! Bookmark not defined.*** respectively of this Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in **"Risk Factors"** or any other factors that may arise in the future and you may lose all or part of your investments.