





Continued from previous page

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

(₹ In Lakhs except percentages and ratios)																				
Key Financial Performance	Shanti Spintex Limited				Jindal Worldwide Ltd				R&B Denims Limited				Manomay Tex India Limited				United Polyfab Gujarat Ltd			
	FY 23-24 (up to Sept 30)	FY 2022-23	FY 2021-22	FY 2020-21	FY 23-24 (up to Sept 30)	FY 2022-23	FY 2021-22	FY 2020-21	FY 23-24 (up to Sept 30)	FY 2022-23	FY 2021-22	FY 2020-21	FY 23-24 (up to Sept 30)	FY 2022-23	FY 2021-22	FY 2020-21	FY 23-24 (up to Sept 30)	FY 2022-23	FY 2021-22	FY 2020-21
Revenuefrom operations <sup>(1)</sup>	16232.01	37033.22	25490.94	11280.07	80252.95	207001.4	255915.72	169961.52	11834.61	26277.39	29322.93	18219.7	27381.41	69887.88	58953.15	32125.30	45054.72	65260.32	66,107.18	21,009.17
EBITDA <sup>(2)</sup>	1,133.09	2,164.76	1,190.27	1,130.45	7706.88	23395.45	21097.47	11124.39	2022.26	3398.21	4157.46	2525.67	1823.85	4155.06	2913.72	1762.59	1520.26	2950.74	3261.02	2207.75
EBITDA Margin (%) <sup>(3)</sup>	6.98%	5.84%	4.67%	10.02%	9.60%	11.30%	8.24%	6.55%	17.09%	12.93%	14.18%	13.86%	6.66%	5.95%	4.94%	5.49%	3.37%	4.52%	4.93%	10.51%
PAT <sup>(4)</sup>	523.75	1012.81	486.59	337.53	2644.80	11571.67	10919.76	6241.09	868.92	1547.63	2164.57	1022.41	509.1	1295.04	770.62	275.47	493.53	547.78	940.46	44.52
PATMargin (%) <sup>(5)</sup>	3.23%	2.73%	1.91%	2.99%	3.30%	5.59%	4.27%	3.67%	7.34%	5.89%	7.38%	5.61%	1.86%	1.85%	1.30%	0.86%	1.10%	0.83%	1.42%	0.21%
RoE(%) <sup>(6)</sup>	8.93%	19.81%	11.11%	8.16%	4.00%	19.52%	22.84%	15.67%	10.46%	21.51%	41.17%	28.41%	4.30%	14.09%	11.19%	4.48%	7.46%	9.23%	18.69%	0.98%
RoCE (%) <sup>(7)</sup>	8.69%	16.64%	8.10%	8.21%	4.39%	12.03%	15.01%	10.53%	7.28%	16.18%	18.64%	15.73%	3.76%	7.77%	6.43%	4.41%	5.95%	8.45%	9.79%	7.83%

Notes:

- (1) Revenue from operation means revenue from sales, service and other operating revenues
- (2) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost/Interest Expenses - Other Income (3)'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (4) PAT is calculated as Profit before tax – Tax Expenses
- (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- (7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Share holders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

#### 8. Weighted average cost of acquisition

a) The price per share of our Company based on the primary/ new Offer of shares (equity/ convertiblesecurities)

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on February 20, 2023, 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-Offer 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.

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

Except as stated below, 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 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-Offer 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 transfer	Name of transferor	Name of transferee	No. of Equity shares	Price Per Equity Share (₹)	Adjusted Price per equity share (post bonus)*	Nature oftransaction	Total Consideration (₹ in lakhs)
April 16, 2022	Drakensburg Investment Limited	Vineeta V. Chiripal	5,42,000	54/-	27/-	Transfer of Shares	292.68
August 17, 2022	Shivhari Trading LLP	Chiripal Industries Limited	3,10,000	54/-	27/-	Transfer of shares	167.40
August 17, 2022	Satrama Trading LLP	Chiripal Industries Limited	3,20,000	54/-	27/-	Transfer of shares	172.80
August 27, 2022	Rusp Trading LLP	Kautilya Traders Pvt. Ltd.	10,00,000	54/-	27/-	Transfer of shares	540.00
	Harianand Trading LLP	Vijay Shubham Contrade Private Limited	3,31,000	54/-	27/-	Transfer of shares	178.74
	Rukmani Agarwal	Vijay Shubham Contrade Private Limited	2,15,000	54/-	27/-	Transfer of shares	116.10
	Pawankumar Agarwal	Vijay Shubham Contrade Private Limited	1,00,000	54/-	27/-	Transfer of shares	54.00
	Chiripal Industries Limited	Vijay Shubham Contrade Private Limited	6,30,000	54/-	27/-	Transfer of shares	340.20

\*Adjusted price is determined post taking impact of bonus issue of shares allotted by the Company on August 02, 2023 in the ratio of 1:1.

#### Weighted average cost of acquisition & Offer price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price* (i.e. ₹66)	Cap price* (i.e. ₹70)
WACA of primary issuance(exceeding 5% of the pre issue capital)	NA^	NA^	NA^
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	27.00	2.44times	2.59times

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

\* To be updated at Prospectus stage.

\*\* Post adjustment of bonus shares.

This is a Book Built Offer and the price band for the same shall be published 2 working days before opening of the Offer in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Ahmedabad edition of Regional newspaper Ahmedabad Express where the registered office of the Company is situated each with wide circulation.

The Price Band/ Floor Price/ Offer Price 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 pages 91, 24 and 130 respectively, 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.

## BID/ ISSUE PROGRAM

## BID/ ISSUE OPENS ON<sup>(1)</sup>: TUESDAY, DECEMBER 19, 2023

## BID/ ISSUE CLOSES ON: THURSDAY, DECEMBER 21, 2023

<sup>(1)</sup>Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Biding Date shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.

In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see ***“Offer Procedure”*** beginning on page 214 of the Red Herring Prospectus.

**Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders/Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBDT Notification dated February 13, 2020 and press release dated June 25, 2021.**

**CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS:** For information on the main objects and other objects of our Company, see ***“History and Corporate Structure”*** on page 108 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section ***“Material Contracts and Documents for Inspection”*** on page 254 of the Red Herring Prospectus.

**LIABILITY OF MEMBERS AS PER MOA:** The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

**AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE:** The Authorized share Capital of the Company is Rs.20,00,00,000/- (Rupees Twenty Crore) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the Company before the issue is Rs.14,20,00,000/- (Rupees Fourteen Crore Twenty-Lakh Only) divided into 1,42,00,000 (One Crore forty two Lakh only) Equity Shares of Rs. 10 each. For details of the Capital Structure, see ***“Capital Structure”*** on the page 52 of the Red Herring Prospectus.

**NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company, Rajesh Premkumar Bindal –5,000 shares, Amit Premkumar Bindal – 2500 and Sanjay Premkumar Bindal –2,500 shares aggregating to10,000 Equity Shares of Rs.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see ***“History and Corporate Structure”*** on page 108 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see ***“Capital Structure”*** on page 53 of the Red Herring Prospectus.


**LISTING:** The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE SME. Our Company has received an ‘in-principle’ approval from the BSE Limited for the listing of the Equity Shares pursuant to letter Ref.: LO/SME-IPO/PS/IP/321/2023-24 dated November 21, 2023. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Ltd. A signed copy of the Red Herring Prospectus dated December 12, 2023 has been delivered for filing to the ROC and Prospectus shall be delivered for filing to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see “Material Contracts and Documents for Inspection” on page 254 of the Red Herring Prospectus.

**DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”):** Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. The Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 194 of the Red Herring Prospectus.

**DISCLAIMER CLAUSE OF BSE (“BSE SME”) (THE DESIGNATED STOCK EXCHANGE):** “It is to be distinctly understood that the permission given by BSE Limited (“BSE”) should not in any way be deemed or construed that the contents of the prospectus or the price at which the equity shares are offered has been cleared, solicited or approved by BSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause pertaining to BSE”.

**TRACK RECORD OF BOOK RUNNING LEAD MANAGER:** The Merchant Banker associated with the issue has handled 28 public issues in the past 3 years all of which were SME IPOs.

**GENERAL RISK:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to ***“Risk Factors”*** on page 24 of the Red Herring Prospectus.

<b>ASBA *</b>   Simple, Safe, Smart way of Application- Make use of it!!!!	*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below. Mandatory in Public Issues from January 01, 2016. No cheque will be accepted
 <b>UPI</b> -Now available in ASBA for Retail Individual Investors (RII)** Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI – Now available in ASBA for RIIs applying through Registered Brokers, DP's & RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors have to apply through the ASBA process. *ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section <b><i>“Issue Procedure”</i></b> beginning on page 210 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India (“AIBI”), the Stock Exchanges and in the General Information Document. *ASBA forms can be downloaded from the website of BSE Limited (“BSE SME”) **List of banks supporting UPI is also available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> . State bank of India has been appointed as Sponsor Bank for the Issue, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail Id- <a href="mailto:ipo.upi@npci.org.in">ipo.upi@npci.org.in</a> . For the list of UPI Apps and Banks live on IPO, please refer to the link <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> . For issue related grievance investors may contact: Hem Securities Limited-Akun Goyal (+91 141 -4051000) (Email Id: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> ).	

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <b>HEM SECURITIES LIMITED</b> <b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India <b>Tel No.:</b> +91-22-4906 0000; <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person :</b> Akun Goyal <b>SEBI Reg. No.:</b> INM000010981	 <b>KFIN TECHNOLOGIES LIMITED</b> <b>Address:</b> Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500032, Telangana, India <b>Telephone:</b> +91 40 6716 2222; <b>Facsimile:</b> +91 40 6716 1563 <b>Email:</b> <a href="mailto:ssl.ipo@kfintech.com">ssl.ipo@kfintech.com</a> <b>Investor Grievance Email:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> <b>Website:</b> <a href="http://www.kfintech.com/">www.kfintech.com/</a> <b>Contact Person:</b> M. Murali Krishna; <b>SEBI Registration Number:</b> INR000000221	 <b>Mohini Singhal SHANTI SPINTEX LIMITED</b> <b>Address:</b> Sub Plot 1, Unit 1, Survey No. 297, Dholi-Integrated Spinning Park Limited, Dholi, Dholka, Ahmedabad, Gujarat – 382 240, India <b>Tel. No.:</b> +91 84473 86773 <b>Email:</b> <a href="mailto:cs@shantisintex.com">cs@shantisintex.com</a> ; <b>Website:</b> <a href="http://www.shantisintex.com/">www.shantisintex.com/</a>  Investors can contact the Company Secretary and Compliance Officer or the BRLMs or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc.

**AVAILABILITY OF RED HERRING PROSPECTUS:** Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of the Company at [www.shantisintex.com](http://www.shantisintex.com), the website of the BRLMs to the Issue at [www.hemsecurities.com](http://www.hemsecurities.com), the website of BSE SME at <https://www.bsesme.com/PublicIssues/SMEIPODRHP.aspx>, respectively.

**AVAILABILITY OF BID-CUM-APPLICATION FORMS:** Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Shanti Spintex Limited, Telephone: +91 84473 86773; BRLMs: Hem Securities Limited, Telephone: +91-22-4906 0000 and the Syndicate Members: Hem Finlease Private Limited, Telephone: +91 022-49060000 and at the selected locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of BSE SME and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

**ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC ISSUE ACCOUNT BANK/ SPONSOR BANK:** State Bank of India.

**LINK TO DOWNLOAD ABRIDGED PROSPECTUS:** <https://shantisintex.com/draft-prospectus-prospectus/>

**UPI:** Retail Individual Bidders can also Bid through UPI Mechanism.

**All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.**

On behalf of Board of Directors

SHANTI SPINTEX LTD.

Sd/-

Mohini Singhal

Company Secretary and Compliance Officer

**Place:** Ahmedabad  
**Date:** December 12, 2023

**Disclaimer:** Shanti Spintex Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares the Red Herring Prospectus dated December 12, 2023 has been filed with the Registrar of Companies, Gujarat, Ahmedabad, and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of BSE SMEat <https://www.bsesme.com/PublicIssues/SMEIPODRHP.aspx>and is available on the websites of the BRLMs at [www.hemsecurities.com](http://www.hemsecurities.com). Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled ***“Risk Factors”*** beginning on page 24 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the ***“Securities Act”***) or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in ‘offshore transactions’ in reliance on Regulation “S” under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.