(Please scan this QR Code to view the DRHP)

BEHARI LAL ENGINEERING LIMITED

Corporate Identification Number: U27109PB1995PLC016490

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147 301, India.	B-9, Surajmal Vihar, Vikas Marg Extension, Near Leela Ambience Convention Hotel, East Delhi, Delhi -110092, India.	Sanjeev Kumar Sehgal, Company Secretary and Compliance Officer	**Email:** cs@beharilalgroup.com **Tel:** +91 17655 20694	www.beharilalengineering.com

OUR PROMOTERS: PARKASH CHAND GARG, RAJESH GARG, DINESH GARG, LOVLISH GARG AND BHUVNESH GARG

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,100.00 million	Up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to [●] Equity Shares, of face value of ₹ 10 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**SEBI ICDR Regulations**). For further details, see *'Other Regulatory and Statutory Disclosures - Eligibility for the Offer'* on page 494. For details in relation to share reservation among QIBs, NIIs and RIIs, see *'Offer Structure'* on page 514.

DETAILS OF THE OFFER FOR SALE BY SELLING SHAREHOLDERS

NAME OF THE SELLING SHAREHOLDERS	TYPE	NO. OF EQUITY SHARES BEING OFFERED / AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARES* (IN ₹)
Rajesh Garg	Promoter Selling Shareholder	Up to 2,045,985 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	1.12
Lovlish Garg	Promoter Selling Shareholder	Up to 514,028 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	2.72
Yogita Garg	Promoter Group Selling Shareholder	Up to 2,264,720 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	4.08
Dinesh Kumar Garg HUF	Promoter Group Selling Shareholder	Up to 297,033 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	5.18
SG Tech Engineering Private Limited	Investor Selling Shareholder	Up to 2,732,755 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	89.65

* *As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Offer Price as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares of face value of ₹ 10 each by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Offer Price*' on page 154 should not be taken to be indicative of the market price of the Equity Shares of face value of ₹ 10 each after the Equity Shares of face value of ₹ 10 each are listed. No assurance can be given regarding an active or sustained

trading in the Equity Shares of face value of ₹ 10 each or regarding the price at which the Equity Shares of face value of ₹ 10 each will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares of face value of ₹ 10 each in the Offer 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 this Draft Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 36.

ISSUER'S AND SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus 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 make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made or undertaken expressly by such Selling Shareholder in this Draft Red Herring Prospectus only to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements and undertakings in this Draft Red Herring Prospectus, including, without limitation, any other statements and undertakings made by or relating to our Company or our Company's business or any other Selling Shareholders or any other person, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares of face value of ₹ 10 each to be offered through the Red Herring Prospectus are proposed to be listed on the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE**, and together with the BSE, the **Stock Exchanges**). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

LOGO	NAME OF THE BOOK RUNNING LEAD MANAGERS	CONTACT PERSON	E-MAIL AND TELEPHONE
Emkay Your success is our success	Emkay Global Financial Services Limited	Deepak Yadav/ Vimal Maniyar	**E-mail:** blel.ipo@emkayglobal.com **Tel:** +91 22 6612 1212
SYSTEMATIX GROUP Investments Re-defined	Systematix Corporate Services Limited	Jinal Sanghvi/ Mohit Ladkani	**E-mail:** mb.ipo@systematixgroup.in **Tel:** +91 22 6704 8000

REGISTRAR TO THE OFFER

LOGO	NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
MUFG MUFG Intime	**MUFG Intime India Private Limited** *(formerly Link intime India Private Limited)*	Shanti Gopalkrishnan	**E-mail:** beharilalengineering.ipo@in.mpms.mufg.com **Tel:** +91 810 811 4949

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE*	**[●]**	**BID/OFFER OPENS ON***	[●]	**BID/OFFER CLOSES ON**^**	[●]

* *Our Company, in consultation with the BRLMs, may consider participation by the Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/Offer Opening Date.*

** *Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm, on Bid/Offer Closing Date.*

BEHARI LAL ENGINEERING LIMITED

Our Company was originally incorporated as 'Behari Lal Ispat Private Limited', at Jalandhar, Punjab as a private limited company under the Companies Act, 1956 and received a certificate of incorporation issued by the Registrar of Companies, Punjab, H.P. & Chandigarh on May 23, 1995. Subsequently, the name of our Company was changed to 'Behari Lal Engineering Private Limited' pursuant to a special resolution passed by the shareholders of our Company on August 5, 2024, and a fresh certificate of incorporation issued by the RoC on September 4, 2024. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by the Shareholders of our Company passed in their meeting on August 5, 2024, and the name of our Company was changed to its present name 'Behari Lal Engineering Limited', pursuant to a fresh certificate of incorporation issued by the RoC on September 21, 2024. For details of changes in the name and registered office of our Company, see '*History and Certain Corporate Matters*' on page 333.

Registered: Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147 301, India.
Corporate Office: B-9, Surajmal Vihar, Vikas Marg Extension, Near Leela Ambience Convention Hotel, East Delhi, Delhi -110092, India.
Contact Person: Sanjeev Kumar Sehgal, Company Secretary and Compliance Officer; **Tel**: +91 17655 20694
E-mail: cs@beharilalgroup.com; **Website**: www.beharilalengineering.com
Corporate Identification Number: U27109PB1995PLC016490

OUR PROMOTERS: PARKASH CHAND GARG, RAJESH GARG, DINESH GARG, LOVLISH GARG AND BHUVNESH GARG

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (EQUITY SHARES) OF BEHARI LAL ENGINEERING LIMITED (COMPANY) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (OFFER PRICE) AGGREGATING UP TO ₹ [●] MILLION (OFFER) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO 1,100.00 MILLION BY OUR COMPANY (FRESH ISSUE) AND AN OFFER FOR SALE OF UP TO 7,854,521 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY THE SELLING SHAREHOLDERS (OFFER FOR SALE) COMPRISING UP TO 2,045,985 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY RAJESH GARG, UP TO 514,028 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY LOVLISH GARG (COLLECTIVELY, 'PROMOTER SELLING SHAREHOLDERS'), UP TO 2,264,720 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY YOGITA GARG, UP TO 297,033 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY DINESH KUMAR GARG HUF (COLLECTIVELY, 'PROMOTER GROUP SELLING SHAREHOLDERS') AND UP TO 2,732,755 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY SG TECH ENGINEERING PRIVATE LIMITED (INVESTOR SELLING SHAREHOLDER, TOGETHER WITH PROMOTER SELLING SHAREHOLDERS AND PROMOTER GROUP SELLING SHAREHOLDERS, 'SELLING SHAREHOLDERS', AND SUCH EQUITY SHARES, THE OFFERED SHARES). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●],(A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●], (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), AND IN [●] EDITION OF [●], (A PUNJABI DAILY NEWSPAPER) (PUNJABI BEING THE REGIONAL LANGUAGE OF PUNJAB WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least 3 additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure,* banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of 1 Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made through Book Building Process, in terms of Rule 19(2)(b) of the Securities Contacts (Regulation) Rules, 1957 (**SCRR**), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation

6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (**QIBs**) (such portion referred to as **QIB Portion**), provided that our Company, in consultation with the BRLMs may 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**), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (**Anchor Investor Allocation Price**), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares of face value of ₹ 10 each shall be added to the QIB Portion (other than the Anchor Investor Portion) (**Net QIB Portion**). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares of face value of ₹ 10 each available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount (**ASBA**) process by providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see '*Offer Procedure*' on page 518.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Offer Price as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares of face value of ₹ 10 each by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Offer Price*' on page 154 should not be taken to be indicative of the market price of the Equity Shares of face value of ₹ 10 each after the Equity Shares of face value of ₹ 10 each are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of face value of ₹ 10 each or regarding the price at which the Equity Shares of face value of ₹ 10 each will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares of face value of ₹ 10 each in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 36.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made or undertaken expressly by such Selling Shareholders in this Draft Red Herring Prospectus only to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements and undertaking in this Draft Red Herring Prospectus, including, inter alia, any other statements and undertaking made by or relating to our Company or its business or any other Selling Shareholders or any other person, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares of face value of ₹ 10 each to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares of face value of ₹ 10 each pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see *'Material Contracts and Documents for Inspection'* on page 553.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER	
Emkay Your success is our success		SYSTEMATIX GROUP Investments Re-defined		MUFG MUFG Intime	
Emkay Global Financial Services Limited		**Systematix Corporate Services Limited**		**MUFG Intime India Private Limited** *(formerly Link intime India Private Limited)*	
7th Floor, The Ruby, Senapati Bapat Marg, Dadar – West, Mumbai - 400 028, Maharashtra, India **Tel:** +91 22 6612 1212 **E-mail:** blel.ipo@emkayglobal.com **Website:** www.emkayglobal.com **Investor grievance e-mail:** ibg@emkayglobal.com **Contact person:** Deepak Yadav/ Vimal Maniyar **SEBI Registration Number:** INM000011229		The Capital, A-Wing, No. 603-606, 6th Floor, Plot No. C-70, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. **Tel:** +91-22-6704 8000 **Email:** mb.ipo@systematixgroup.in **Investor grievance e-mail:** investor@systematixgroup.in **Website:** www.systematixgroup.in **Contact Person:** Jinal Sanghvi/ Mohit Ladkani **SEBI registration number:** INM000004224		C-101, 247 Park, 1st Floor, L B S Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India. **Tel:** +91 8108114949 **E-mail:** beharilalengineering.ipo@in.mpms.mufg.com **Website:** www.in.mpms.mufg.com **Investor grievance e-mail:** beharilalengineering.ipo@in.mpms.mufg.com **Contact Person:** Shanti Gopalkrishnan **SEBI Registration Number:** INR000004058	
BID/OFFER PERIOD					
ANCHOR INVESTOR BIDDING DATE*	[●]	**BID/OFFER OPENS ON***	[●]	**BID/OFFER CLOSES ON **^**	[●]

* *Our Company, in consultation with the BRLMs, may consider participation by the Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/Offer Opening Date.*

** *Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm, on Bid/Offer Closing Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, act, statutes, regulations, rules, guidelines, directions, circulars, notifications or policies shall be to such legislations, act, statute, regulation, rule, guideline, directions, circulars, notifications or policy 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.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in 'Description of Equity Shares and Main Provisions of the Articles of Association', 'Basis for the Offer Price', 'Industry Overview', 'Key Regulations and Policies', ' History and Certain Corporate Matters', 'Our Promoters and Promoter Group', 'Financial Information', 'Outstanding Litigation and Other Material Developments', Offer Procedure', and 'Restriction on Foreign Ownership of Indian Securities' on pages 540, 154, 179, 327, 333, 363, 371, 481, 518, and 538 respectively, shall have the meaning ascribed to such terms in the relevant section.

General terms

Term	Description
'our Company', or 'the Company' or 'the Issuer'	Behari Lal Engineering Limited, with Registered Office situated at Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147301, India and Corporate Office situated at B-9, Surajmal Vihar, Vikas Marg Extension, Near Leela Ambience Convention Hotel, East Delhi, Delhi -110092, India.
'we', 'us', or 'our'	Unless the context otherwise indicates or implies or refers to our Company.

Company related terms

Term	Description
AoA/ Articles of Association/ Articles	Articles of association of our Company, as amended.
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in '*Our Management – Committees of our Board*' on page 349.
Auditors/ Statutory Auditors	The current statutory auditors of our Company, namely, M/s Ashwani & Associates, Chartered Accountants, Firm Registration No. 000497N.
Board or Board of Directors	The board of directors of our Company or a duly constituted committee thereof. For further details, see *'Our Management'* on page 340.
Chairman	The Chairman of our Company, namely, Parkash Chand Garg. For further details, see *'Our Management'* on page 340.
Chief Executive Officer or CEO	The chief executive officer of our Company, namely, Bhuvnesh Garg. For further details, see *'Our Management - Key Managerial Personnel and Senior Management'* on page 359.
Chief Financial Officer or CFO	The chief financial officer of our Company, namely, Aakarsh Goyal. For further details, see *'Our Management - Key Managerial Personnel and Senior Management'* on page 359.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Sanjeev Kumar Sehgal. For further details, see *'Our Management - Key Managerial Personnel and Senior Management'* on page 359.
Corporate Office	The corporate office of our Company is situated at B-9, Surajmal Vihar, Vikas Marg Extension, Near Leela Ambience Convention Hotel, East Delhi, Delhi - 110092, India.

Term	Description
Corporate Social Responsibility Committee / CSR Committee	The corporate social responsibility committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and as described in '*Our Management - Committees of our Board*' on page 349.
Director(s)	The director(s) on our Board, as appointed from time to time. For further details, see *'Our Management'* on page 340.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Executive Director(s)	Executive Directors of our Company namely Dinesh Garg, Lovlish Garg and Manvinder Partap Singh. For further details, see "*Our Management*" on page 340.
Group Company	Our group company, namely BLC Metals Private Limited, identified in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations and the Materiality Policy, as disclosed in section titled "*Our Group Company*" on page 491.
Independent Director(s)	Non-Executive directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations, namely, Anil Dhawan, Anil Kumar Bansal, Ayussh Mittaal, Meena Rohilla and Rajesh Kumar Sinha. For details of the Independent Directors, see '*Our Management*' on page 340.
Investor Selling Shareholder	SG Tech Engineering Private Limited
Key Managerial Personnel / KMP	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act and as disclosed in '*Our Management - Key Managerial Personnel and Senior Management*' on page 359.
Managing Director	The Managing Director of our Company, namely, Dinesh Garg. For further details, see *'Our Management'* on page 340.
Manufacturing Facility 1 or SMS and Foundry Division	Manufacturing facility of our Company situated at Village Salani, Amloh Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab – 147301, India.
Manufacturing Facility 2 or Rolling Mill Division	Manufacturing facility of our Company situated at Village Turan, Amloh Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab – 147301, India.
Manufacturing Facilities	Collectively, Manufacturing Facility 1 and Manufacturing Facility 2 of our Company.
Materiality Policy	The policy adopted by our Board pursuant to the resolution dated September 8, 2025, for identification of: (a) material outstanding litigation involving our Company, our Promoters, our Directors, our Key Managerial Personnels and members of Senior Management; (b) material group companies; and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purpose of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
Memorandum of Association/ MoA	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in '*Our Management – Committees of our Board*' on page 349.
Non-Executive Director Non-Independent Director	The Non-Executive Director and Non-Independent Directors of our Company, namely, Prakash Chand Garg and Rajesh Garg. For further details, see *'Our Management'* on page 340.
Preference Shares	3.50% Non-Cumulative & Non-Convertible Redeemable Preference Shares of our Company of face value ₹ 10.00 each
Promoters	Parkash Chand Garg, Rajesh Garg, Dinesh Garg, Lovlish Garg and Bhuvnesh Garg are the promoters of our Company.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in '*Our Promoter and Promoter Group*' on page 363.
Promoter Selling Shareholders	Collectively, Rajesh Garg and Lovlish Garg
Promoter Group Selling Shareholders	Collectively, Yogita Garg and Dinesh Kumar Garg HUF

Term	Description
Registrar of Companies or RoC	Registrar of Companies, Punjab at Chandigarh.
Registered Office	The registered office of our Company is situated at Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147301, India.
Restated Financial Statements	The restated financial statements of our Company included in this Draft Red Herring Prospectus comprising the restated statement of assets and liabilities of our Company as at the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, the restated summary statements of profit and loss of our Company, the restated summary statement of cash flows and the restated statement of changes in equity for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, and the summary of material accounting policies and other explanatory information prepared in accordance with Ind AS and restated in accordance with section 26 of the Companies Act and the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Risk Management Committee	Risk management committee of our Board, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations, and as described in the section titled '*Our Management - Committees of our Board of Directors*' on page 349.
Scheme of Amalgamation	The scheme of amalgamation which was sanctioned by the National Company Law Tribunal, Chandigarh Bench through its order dated September 13, 2024, pursuant to which our Company amalgamated with Belco Special Steels Private Limited, and Parkash Multimetals Private Limited.
Selling Shareholders	Collectively, Promoter Selling Shareholders, Promoter Group Selling Shareholders and Investor Selling Shareholder.
'Senior Management Personnel' or 'Senior Management' or 'SM'	Senior management of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as disclosed in '*Our Management - Key Managerial Personnel and Senior Management*' on page 359.
Shareholder(s)	Shareholder(s) holding Equity Shares of face value of ₹ 10 each of our Company, from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations, and as described in '*Our Management - Committees of Our Board*' on page 349.
Whole-Time Director(s)	The whole-time director of our Company, namely, Lovlish Garg and Manvider Pratap Singh. For further details, see '*Our Management*' on page 340.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares of face value of ₹ 10 each pursuant to the Fresh Issue, and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale, to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have Bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares of face value of ₹ 10 each are Allotted.
Anchor Investor(s)	A QIB, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹ 100 million.

Term	Description
Anchor Investor Allocation Price	The price at which the Equity Shares of face value of ₹ 10 each will be allocated to the Anchor Investors in terms of this Draft Red Herring Prospectus and Prospectus, which will be decided by our Company in consultation with the BRLMs, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The date 1 Working Day prior to the Bid/ Offer Opening Date, on which Bids by the Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares of face value of ₹ 10 each will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, a date not later than 2 Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion 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 accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form, which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism, to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA bidder.
ASBA Bidders	All Bidders except Anchor Investor(s)
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Sponsor Bank(s) and the Public Offer Account Bank(s), as the case may be.
Basis of Allotment	The basis on which the Equity Shares of face value of ₹ 10 each will be Allotted to successful Bidders under the Offer, and which is described in '*Offer Structure*' on page 514.

Term	Description
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of face value of ₹ 10 each at a price within the Price Band, including all revisions and modifications thereto as permitted under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Bidders, Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares of face value of ₹ 10 each Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus.
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] editions of [●] (a Punjabi daily newspaper) (Punjabi being the regional language of Punjab where our Registered Office is located). Our Company may, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations. In case of any revisions, the extended Bid/Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Banks and shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] editions of [●] (a Punjabi daily newspaper) (Punjabi being the regional language of Punjab where our Registered Office is located).
Bid/Offer Period	Except in relation to the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLMs, may for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of 1 Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Our Company may, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.

Term	Description
Bidder / Applicant / Investor	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding Centres	The centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Book Running Lead Managers/BRLMs	The book running lead managers to the Offer namely, Emkay Global Financial Services Limited and Systematix Corporate Services Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and in case of UPI Bidders only ASBA Forms with UPI. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares of face value of ₹ 10 each sent to the Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered amongst our Company, the Selling Shareholders , the Registrar to the Offer, the BRLMs, the Syndicate Members and the Banker(s) to the Offer for the appointment of the Sponsor Bank, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof in accordance with the UPI circulars.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI ICDR Master Circular (to the extent applicable), as per the list available on the websites of BSE and NSE, as updated from time to time.
Cut-off Price	Offer Price, finalised by our Company in consultation with the BRLMs which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
CRISIL	CRISIL Limited
CRISIL Report	Report titled '*Assessment of metal rolls and engineering castings industry*' dated September 2025 prepared and issued by CRISIL appointed by our Company pursuant to a letter dated December 23, 2024, and exclusively commissioned and paid for by our Company in connection with the Offer. A copy of the CRISIL Report is available on the website of our Company at https://www.beharilalengineering.com/quality-assurance.php.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable.

Term	Description
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms (in case of UPI Bidders only ASBA Forms under UPI). The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Accounts(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and instructions are given to the SCSBs (in case of UPI Bidders using UPI Mechanism, instructions through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus following which Equity Shares of face value of ₹ 10 each will be Allotted in the Offer to the successful Bidders.
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs, and Non-Institutional Bidders with an application size of up to ₹ 0.50 million (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTA.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs (in case of UPI Bidders, only ASBA Forms under UPI). The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs, which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated September 26, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares of face value of ₹ 10 each will be Allotted and the size of the Offer including any addenda or corrigenda thereto.
Emkay	Emkay Global Financial Services Limited
Eligible FPIs	FPIs that are eligible to participate in this Offer in terms of applicable laws.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Escrow Account(s)	Non-lien and non-interest-bearing accounts to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which is a clearing member and registered with SEBI as banker to an offer, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account in relation to the Offer for Bids by Anchor Investors, will be opened, in this case being [●].

Term	Description
First Bidder/Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted, and which shall not be less than the face value of the Equity Shares.
Fraudulent Borrower or Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter or fraudulent borrower by any bank or financial institution (as defined under the Companies Act) or consortium thereof, in accordance with the guidelines on wilful defaulter or fraudulent borrowers issued by the RBI.
Fresh Issue	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,100.00 million by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the BSE at www.bseindia.com, the NSE at www.nseindia.com and the BRLMs.
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company.
Independent Chartered Engineer	The independent chartered engineer appointed by our Company, namely, GATS India Ltd, bearing registration number M-125038-2.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares of face value of ₹ 10 each available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The Offer Proceeds less our Company's share of the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer expenses, see '*Objects of the Offer*' on page 133.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares of face value of ₹ 10 each Allotted to the Anchor Investors.
Non-Institutional Bidders/NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares of face value of ₹ 10 each for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Non-Institutional Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which (i) one third shall be reserved for Non-Institutional Bidders with application size exceeding ₹ 0.20 million up to ₹ 1.00 million; and (ii) two-thirds shall be reserved for Non-Institutional Bidders with application size exceeding ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Bidders.

Term	Description
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs, VCFs, and FPIs.
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,100.00 million; and Offer for Sale of up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] by the Selling Shareholders.
Offer Agreement	The agreement dated September 26, 2025, amongst our Company, the Selling Shareholders and the BRLMs pursuant to which certain arrangements have been agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Selling Shareholders, namely Rajesh Garg, Lovlish Garg, Yogita Garg, Dinesh Kumar Garg HUF and SG Tech Engineering Private Limited.
Offer Price	The final price at which Equity Shares of face value of ₹ 10 each will be Allotted to successful Bidders, other than Anchor Investors in terms of the Red Herring Prospectus and Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus. Equity Shares of face value of ₹ 10 each will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to the Company, and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further details regarding use of the Offer Proceeds, see '*Objects of the Offer*' on page 133.
Offered Shares	Up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million offered for sale by the Selling Shareholders. For further details, see '*The Offer*' on page 84.
Practicing Company Secretary	The practicing company secretary appointed by our Company, namely, Chauhan Pradeep & Associates.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share of face value of ₹ 10 each (i.e., the Floor Price) and the maximum price of ₹ [●] per Equity Share of face value of ₹ 10 each (i.e., the Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] editions of [●] (a Punjabi daily newspaper) (Punjabi being the regional language of Punjab where our Registered Office is located). at least 2 Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Provided that the Cap Price shall be the minimum 105% of the Floor Price and shall not exceed than 120% of the Floor Price.
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The prospectus to be filed with the RoC for this Offer in accordance with the provisions of Section 26 of the Companies Act and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.

Term	Description
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994, with which the Public Offer Account(s) shall be opened, being [●].
QIB Category/QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	Red herring prospectus issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least 3 Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stockbrokers registered under SEBI (Stockbrokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012, issued by SEBI and the UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated September 26, 2025, amongst our Company, the Selling Shareholders, and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE.
Registrar to the Offer/Registrar	MUFG Intime India Private Limited *(formerly Link intime India Private Limited)*
Retail Individual Bidder(s)/ Retail Individual Investors/ RIB(s)/ RII(s)	Individual Bidders who have Bid for the Equity Shares of face value of ₹ 10 each for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Offer comprising of [●] Equity Shares of face value of ₹ 10 each, which 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 Offer Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares of face value of ₹ 10 each or the Bid Amount in any of their ASBA Form or any previous Revision Form, as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares of face value of ₹ 10 each or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
SCORES	Securities Exchange Board of India Complaints Redressal System

Term	Description
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as applicable and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, in this case being, [●].
Share Escrow Agreement	The agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares of face value of ₹ 10 each under the Offer by each Selling Shareholders and credit of such Equity Shares of face value of ₹ 10 each to the demat account of the Allottees.
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms from the Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time.
Sponsor Bank(s)	The Banker to the Offer registered with SEBI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41 and update from time to time, which is appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI, the Sponsor Bank in this Offer being [●].
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Share Subscription and Shareholders' Agreement or SSSHA	Share Subscription and Shareholders' Agreement dated January 16, 2024, by and between our Company, our Shareholders, Homedge Infracon Private Limited and Anubhav Gupta Investments.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate/ members of the Syndicate	Together, the BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into among our Company, the Registrar to the Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●].
Termination Agreement	Termination Agreement to the Share Subscription and Shareholders Agreement dated July 1, 2025 by and between our Company, our Shareholders, Homedge Infracon Private Limited and Anubhav Gupta Investments.
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus.
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.

Term	Description
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circular	Collectively, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (to the extent that such circulars pertain to the UPI Mechanism), SEBI ICDR Master Circular, along with the circulars issued by the Stock Exchanges in this regard, including the NSE circular number 25/2022 dated August 3, 2022, and the BSE circular number 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application and by way of a SMS directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The mechanism that may be used by UPI Bidders to make a Bid in the Offer in accordance with the UPI Circular.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations, or a fraudulent borrower in terms of RBI's Master Circular dated July 1, 2016 and relevant circulars issued by RBI.
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, 'Working Day' shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, Maharashtra are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges, 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical / industry related terms

Term	Description
ACM	Aggregate Crusher Manufacturer
CNC	Computer Numerical Control
CRC	Cold Rolled Coil
ERP	Enterprise Resource Planning
GHG Protocol	Green House Gas Protocol
HSS	High Speed Steel
ICDP	Indefinite Chilled Double Pour
ISO	International Organization for Standardization
Kg	Kilogrammes
KvA	kilovolt-amperes

Term	Description
LRF	Ladle Refining Furnace
Mm	Millimetre
MT	Metric Tonnes
MW	Megawatt
NDT	Non-Destructive Testing
OEMs	Original Equipment Manufacturer
PID	Proportional, Integral, and Derivative
PDI	Pre-Delivery Inspection
QC	Quality Control
SCADA	Supervisory Control and Data Acquisition
SKU	Stock Keeping Units
SMS	Steel Melting Shop
TMT Rebar	Thermo-Mechanically Treated Rebar
VD	Vacuum Degassing
VTL	Vertical Turning Lathe

Explanation for KPI metrics

KPI	Explanation
Revenue from operations	Management and stakeholders closely monitor revenue from operations as it represents the core sales generated by the company's primary business activities. An increasing trend indicates business growth and market acceptance of products/services, while a decline could signal market challenges or operational issues. This KPI is fundamental for assessing the company's top-line performance and overall market position.
EBITDA	Management uses EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) to understand the operational profitability of the business, excluding the impact of financing, accounting, and tax decisions. Stakeholders view EBITDA as a good proxy for cash flow generated from core operations, helping them compare the performance of companies with different capital structures or depreciation policies. It provides a clearer picture of a company's operating efficiency.
EBITDA Margin (%)	This ratio, calculated as EBITDA divided by revenue, is crucial for assessing the company's operational efficiency and cost control. Management aims to improve or maintain a healthy EBITDA margin to demonstrate effective management of operating expenses relative to sales. Stakeholders use it to compare a company's profitability against its peers or industry benchmarks, indicating its ability to convert revenue into operational profit.
PAT	Profit After Tax (PAT), also known as net income, is the ultimate measure of a company's profitability available to shareholders. Management focuses on PAT to ensure the business is generating sufficient profits after all expenses, including taxes. Stakeholders consider PAT as a key indicator of financial health and the company's ability to retain earnings or distribute dividends. Consistent growth in PAT reflects strong financial performance.
PAT Margin (%)	PAT Margin, or Net Profit Margin, reveals how much profit a company makes for every rupee of revenue after all expenses, including taxes, are accounted for. Management strives to optimize this margin through efficient operations and cost management. Stakeholders use it to evaluate a company's overall efficiency and its ability to turn sales into bottom-line profit, making it a critical measure for long-term investment decisions.
Cash Profit	Cash Profit, often referring to profit before non-cash expenses like depreciation and amortization, provides a truer picture of the cash-generating ability of the business from its operations. Management uses this to assess the company's ability to fund its working capital needs and capital expenditures without relying excessively on external financing. Stakeholders consider it vital for understanding the sustainability of a company's operations and its capacity for future growth.
Net worth	Net worth, or shareholder's equity, represents the total assets of a company minus its total liabilities. Management views net worth as a measure of the company's intrinsic value and its financial strength, indicating the cumulative earnings retained by the business. Stakeholders, particularly investors, see net worth as the book value of the company and a key indicator of its long-term financial stability and capacity to absorb losses.
Net Debt	Net Debt is calculated as total debt minus cash and cash equivalents. Management closely monitors net debt to assess the company's overall financial leverage and its

KPI	Explanation
	ability to service its debt obligations. Stakeholders use this KPI to evaluate the company's financial risk profile; a high net debt could indicate excessive reliance on borrowing and potential difficulties in meeting financial commitments, especially during economic downturns.
Debt Equity Ratio	This ratio compares a company's total debt to its shareholder's equity. Management uses it to maintain an optimal capital structure that balances financial risk and the cost of capital. Stakeholders, including creditors and investors, assess this ratio to understand the extent to which the company's operations are financed by debt versus equity, with a higher ratio generally indicating higher financial risk.
ROCE (%)	Return on Capital Employed (ROCE) measures how efficiently a company is using its capital (both debt and equity) to generate profits. Management uses ROCE to evaluate the effectiveness of its investment decisions and resource allocation. Stakeholders see ROCE as a critical indicator of operational efficiency and a company's ability to generate returns from the total capital invested in its business.
ROE (%)	Return on Equity (ROE) measures the profitability of a company in relation to the equity invested by its shareholders. Management aims for a high ROE to demonstrate efficient use of shareholder funds in generating profits. Stakeholders, especially equity investors, consider ROE as a primary indicator of how well the company is generating returns on their investment, influencing their decision to buy, hold, or sell shares.
Inventory Days	Inventory Days indicates the average number of days a company holds its inventory before selling it. Management strives to optimize inventory days to minimize carrying costs and avoid obsolescence. Stakeholders look at this KPI to assess inventory management efficiency; a high number might suggest slow-moving inventory or overstocking, while a very low number could risk stockouts.
Debtor days	Debtor Days represents the average number of days it takes for a company to collect payments from its customers after a sale. Management focuses on reducing debtor days to improve cash flow and working capital management. Stakeholders view this KPI as an indicator of the effectiveness of credit control and collection policies; high debtor days can tie up capital and indicate potential credit risks.
Creditor days	Creditor Days measures the average number of days a company takes to pay its suppliers. Management strategically manages creditor days to optimize cash flow, balancing timely payments with leveraging supplier credit. Stakeholders analyze this KPI to understand a company's payment practices and its ability to manage its short-term liabilities, a longer period potentially indicating better cash flow management or, conversely, financial strain.
Cash Conversion Cycle (No of days)	The Cash Conversion Cycle (CCC) measures the time it takes for a company to convert its investments in inventory and accounts receivable into cash, after accounting for the time it takes to pay accounts payable. Management aims to shorten the CCC to improve liquidity and free up cash for other uses. Stakeholders see a shorter CCC as a sign of efficient working capital management and strong operational performance.
Fixed Asset Turnover ratio	This ratio measures how efficiently a company is using its fixed assets (like property, plant, and equipment) to generate sales. Management uses it to assess the productivity of its long-term investments. Stakeholders look at this KPI to understand if the company is effectively utilizing its assets to produce revenue, with a higher ratio generally indicating better asset utilization.
Sales Volumes (KTPA/MTPA)	Sales Volumes, typically measured in Metric Tonnes Per Annum (MTPA) by the management, directly reflects the quantity of goods sold. Management tracks this to understand production and sales capacities, market demand, and to plan future operations. Stakeholders use this physical measure to gauge the company's scale of operations and market penetration, offering a tangible sense of growth beyond just revenue figures.
Volume Growth (%)	Volume Growth indicates the percentage increase or decrease in the quantity of goods sold over a period. Management analyzes this to understand the true underlying growth of the business, independent of price fluctuations. Stakeholders use volume growth as a clear indicator of market acceptance, expansion, and the sustainability of the company's competitive position, often preferring it over mere revenue growth in certain contexts.
EBITDA per ton	EBITDA per ton measures the operational profitability generated for each unit of product sold (e.g., per ton of steel or cement). Management uses this highly specific metric to assess the efficiency of its production processes and cost management on a per-unit basis, which is particularly relevant in commodity-intensive industries. Stakeholders find this useful for direct comparisons between companies in the same industry, highlighting operational efficiency at the granular level.
Debt/ EBITDA	This ratio compares a company's total debt to its EBITDA. Management uses it as a key indicator of the company's ability to service its debt from its operating earnings,

KPI	Explanation
	often a critical metric in loan covenants. Stakeholders, especially lenders and investors, closely monitor this ratio to assess the company's financial leverage and its capacity to repay its debt obligations, with a lower ratio generally indicating lower financial risk.
Asset Turnover on Gross Block	This KPI, often interpreted as Fixed Asset Turnover divided by Gross Block (total cost of fixed assets before depreciation), indicates how effectively a company is utilizing its total capital assets to generate revenue. Management uses it to ensure that its investments in assets are yielding proportional sales. Stakeholders evaluate this to understand the productivity of the company's asset base and its efficiency in generating sales from its total fixed capital employed.

Conventional and general terms and abbreviations

Term	Description
₹/ Rs. / Rupees/ INR	Indian Rupees
AGM	Annual general meeting
AIFs	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
Banking Regulation Act	The Banking Regulation Act, 1949
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate.
Calendar Year	Unless stated otherwise, the period of 12 months ending December 31 of that particular year
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPI(s)	FPIs who are registered as 'Category I foreign portfolio investors' under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as 'Category II foreign portfolio investors' under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer
CIN	Corporate Identity Number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder.
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification
'DP' or 'Depository Participant'	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	Earnings before interest, taxes, depreciation, and amortization.
EBITDA Margin	EBITDA / Revenue from Operations
EGM	Extraordinary General Meeting
EMDE(s)	Emerging Markets and Developing Economies
EPS	Earnings per Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder

Term	Description
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year	Financial year as defined under Regulation 2(1) (oa) of the SEBI ICDR Regulations
'Fiscal', 'fiscal', 'Fiscal Year' or 'FY'	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles
GDP	Gross domestic product
'GoI' or 'Government'	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 or IT Act	Income Tax Act, 1961
Ind AS / Indian Accounting Standards	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
MSME	Micro, Small & Medium Enterprises
'N.A.' or 'NA'	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
No.	Number
NPCI	National Payments Corporation of India
'NR' or 'Non-Resident'	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NRE Account	Non-Resident External Accounts
NRI	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an 'Overseas Citizen of India Cardholder' within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
'OCB' or 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to participate in the Offer
PAT	Profit After Tax
PAT Margin	PAT / Revenue from operations
PBT	Profit Before Tax
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio

Term	Description
PAN	Permanent Account Number
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
ROE	Return on Equity
RoNW	Return on Net Worth
ROCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
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
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI ICDR Master Circular	SEBI Master Circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI NCRPS Regulations	SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013
SEBI RTA Master Circular	SEBI Master Circular bearing number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, to the extent applicable
SEBI Stock Brokers Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/MIRSDPoD/ P/CIR/2025/90 dated June 17, 2025
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed by the SEBI AIF Regulations
Stock Exchanges	Together, BSE and NSE
TAN	Tax deduction account number
'U.S.' or 'USA' or 'United States'	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
'USD' or 'US$'	United States Dollars
VAT	Value added tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
WACA	Weighted Average Cost of Acquisition

SUMMARY OF THE OFFER DOCUMENT

Unless otherwise indicated, industry and market data used in this section has been derived from industry report titled 'Assessment of metal rolls and engineering castings industry' prepared and issued by CRISIL, appointed by us pursuant to letter dated December 23, 2024, exclusively commissioned and paid for by us in connect with the Offer. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. CRISIL was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, or our members of Senior Management or the BRLMs. A copy of the CRISIL Report is available on the website of our Company at https://www.beharilalengineering.com/quality-assurance.php from the date of the Draft Red Herring Prospectus till the Bid/ Offer Closing Date.

This section is a general summary of the terms of the Offer and of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including '*Risk Factors*', '*Industry Overview*', '*Our Business*', '*Capital Structure*', '*The Offer*', '*Objects of the Offer*', '*Restated Financial Statement*' and '*Outstanding Litigations and Other Material Developments*' on pages 36, 179, 293, 103, 84, 133, 371 and 481, respectively.

Summary of the business of our Company

We are an integrated iron and steel manufacturing company specializing in customized engineering solutions. Our precision engineered components for critical industrial applications comprise of metal rolls, engineering castings, alloy steel products, forging ingots and forged shafts/blocks. With over 2 decades of experience in the steel industry, we have over the years honed our product development capabilities which enable us to provide customized components tailored to meet the specific needs of our customers. Our precision engineered products find application across diverse industries such as automobile, steel, mining, infrastructure and construction, power, aerospace and defence, cement and sugar. The broad range of industrial applications has also enabled us to cater to a large number of domestic and international customers.

Summary of industry

According to CRISIL, India's alloy steel production witnessed robust growth from FY2020 to FY2024, with a Compound Annual Growth Rate (CAGR) of 21%. Looking forward to FY30, India's alloy steel market is poised for significant growth, with alloy long steel consumption projected to increase at a CAGR of 5-7% and alloy flat steel expected to grow at a higher CAGR of 8.5-10.5%. India's metal rolls demand saw a robust growth of 7.9% (CAGR) over fiscals 2020-2024. It is projected to increase at a CAGR of ~8-10% during fiscals 2024-2030 and reach ~132-160 KT in fiscal 2030. The castings demand in India stood at 10.3 million tons during fiscal 2020 and reached ~13.5 million tons during fiscal 2024, registering a CAGR of 6.9%.

Names of our Promoters

Parkash Chand Garg, Rajesh Garg, Dinesh Garg, Lovlish Garg and Bhuvnesh Garg are the Promoters of our Company. For further details, see '*Our Promoters and Promoter Group*' on page 363.

Offer Size

Offer[(1)]	Up to [●] Equity Shares of face value of ₹ 10, aggregating up to ₹ [●] million
of which	
(i) Fresh Issue[(1)]	Up to [●] Equity Shares of face value of ₹ 10, aggregating up to ₹ 1,100.00 million
(ii) Offer for Sale[(2)]	Up to 7,854,521 Equity Shares of face value of ₹ 10 aggregating up to ₹ [●] million by the Selling Shareholders

[(1)] The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated September 8, 2025, and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated September 23, 2025. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution passed at its meeting dated September 8, 2025.

[(2)] Each Selling Shareholder severally and not jointly confirm that the Equity Shares of face value of ₹ 10 each being offered by the Selling Shareholders are eligible for being offered for sale pursuant to the Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered

Shares in the Offer for Sale. For further details of the authorizations received for the Offer, see 'Other Regulatory and Statutory Disclosures' on page 493.

The Offer shall constitute [●] % of the post-Offer paid up Equity Share capital of our Company.

For further details, see '*The Offer*', and '*Offer Structure*' on pages 84 and 514 respectively.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the below table:

(in ₹ million)

Sr. No.	Particulars		Estimated utilisation from Net Proceeds
1.	Funding capital expenditure requirement for:		
	i.	purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation at Manufacturing Facility 1	242.88
	ii.	purchase and installation of new roof-top solar panels at Manufacturing Facility 1	39.00
	iii.	purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 2	438.81
	iv.	purchase and installation of new roof-top solar panels at Manufacturing Facility 2	39.00
2.	Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company		7.00
3.	General corporate purposes[(1)(2)]		[●]
Net Proceeds			**[●]**

[(1)] *The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceed.*
[(2)] *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

For further details, see "*Objects of the Offer*" on page 133.

Aggregate Pre-Offer Shareholding of Promoters, the Selling Shareholders and the members of our Promoter Group as a percentage of the paid-up Equity Share capital

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each held	Percentage of total pre-Offer paid up equity share capital (%)
Promoters			
1.	Lovlish Garg[*]	5,532,125	14.17
2.	Dinesh Garg	4,072,195	10.43
3.	Rajesh Garg[*]	3,897,115	9.98
4.	Parkash Chand Garg	2,798,160	7.17
5.	Bhuvnesh Garg	2,201,550	5.64
Sub-Total (A)		**18,501,145**	**47.39**
Promoter Group			
1.	Anju Garg	3,686,865	9.44
2.	Dinesh Kumar Garg HUF[*]	2,967,125	7.60
3.	Yogita Garg[*]	3,359,600	8.61
4.	Kanav Garg	3,177,750	8.14
5.	Rajesh Kumar Garg HUF	1,966,120	5.04
6.	Lovlish Garg HUF	695,000	1.78
7.	Pratibha Goyal	198,880	0.51
8.	Ridhisha Achal Bansal	1,000	Negligible
Sub-Total (B)		**16,052,340**	**41.12**
Selling Shareholders			
1.	SG Tech Engineering Private Limited	3,903,935	10.00
Sub-Total (C)		**3,903,935**	**10.00**

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each held	Percentage of total pre-Offer paid up equity share capital (%)
TOAL (A+B+C)		**38,457,420**	**98.51**

[*] *Also, Selling Shareholder*

Shareholding of Promoter, Promoter Group and additional top 10 Shareholders of our Company

Set out below is the Pre-Offer and Post-Offer shareholding of our Promoters, Promoter Group and additional top 10 Shareholders as of the date of allotment

Sr. No.	Pre-Offer shareholding as at the date of this Draft Red Herring Prospectus			Post Offer shareholding at Allotment[(1)(2)(3)]			
				At lower end of the price band (₹ [●])		At upper end of the price band (₹ [●])	
	Shareholders	Number of Equity Shares of face value of ₹ 10 each	Shareholding (in %)	Number of Equity Shares of face value of ₹ 10 each	Shareholding (in %)	Number of Equity Shares of face value of ₹ 10 each	Shareholding (in %)
Promoter							
1.	Lovlish Garg[*]	5,532,125	14.17	[●]	[●]	[●]	[●]
2.	Dinesh Garg	4,072,195	10.43	[●]	[●]	[●]	[●]
3.	Rajesh Garg[*]	3,897,115	9.98	[●]	[●]	[●]	[●]
4.	Parkash Chand Garg	2,798,160	7.17	[●]	[●]	[●]	[●]
5.	Bhuvnesh Garg	2,201,550	5.64	[●]	[●]	[●]	[●]
Sub-total (A)		**18,501,145**	**47.39**	[●]	[●]	[●]	[●]
Promoter Group							
6.	Anju Garg	3,686,865	9.44	[●]	[●]	[●]	[●]
7.	Dinesh Kumar Garg HUF[*]	2,967,125	7.60	[●]	[●]	[●]	[●]
8.	Yogita Garg[*]	3,359,600	8.61	[●]	[●]	[●]	[●]
9.	Kanav Garg	3,177,750	8.14	[●]	[●]	[●]	[●]
10.	Rajesh Kumar Garg HUF	1,966,120	5.04	[●]	[●]	[●]	[●]
11.	Lovlish Garg HUF	695,000	1.78	[●]	[●]	[●]	[●]
12.	Pratibha Goyal	198,880	0.51	[●]	[●]	[●]	[●]
13.	Ridhisha Achal Bansal	1,000	Negligible	[●]	[●]	[●]	[●]
Sub-total (B)		**16,052,340**	**41.12**	[●]	[●]	[●]	[●]
Additional top 10 Shareholders (other than Promoters and Promoter Group)							
14.	SG Tech Engineering Private Limited[*]	3,903,935	10.00	[●]	[●]	[●]	[●]
15.	Anubhav Gupta	260,260	0.67	[●]	[●]	[●]	[●]

Sr. No.	Pre-Offer shareholding as at the date of this Draft Red Herring Prospectus			Post Offer shareholding at Allotment[1][2][3]			
				At lower end of the price band (₹ [●])		At upper end of the price band (₹ [●])	
	Shareholders	**Number of Equity Shares of face value of ₹ 10 each**	**Shareholding (in %)**	**Number of Equity Shares of face value of ₹ 10 each**	**Shareholding (in %)**	**Number of Equity Shares of face value of ₹ 10 each**	**Shareholding (in %)**
	Investments (through Anubhav Gupta)						
16.	Aakarsh Goyal	191,515	0.49	[●]	[●]	[●]	[●]
17.	Anubhav Gupta Ventures (through Anubhav Gupta)	130,130	0.33	[●]	[●]	[●]	[●]
Sub-total (C)		**4,485,840**	**11.49**	[●]	[●]	[●]	[●]
Total (A + B + C)		**39,039,325**	**100.00**	[●]	[●]	[●]	[●]

* *Also, Selling Shareholder*

(1) This will include any transfers of Equity Shares of face value of ₹ 10 each by existing Shareholders until the date of the Prospectus.

(2) Based on the Offer price of ₹ [●] and subject to finalisation of the basis of allotment.

(3) To be updated at Prospectus stage

For further details, please refer to the section titled *'Capital Structure'* on page 103.

Summary of selected financial information derived from our Restated Financial Statements

(in ₹ million, except per share data)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	78.08	48.59	40.00
Net worth	2,416.16	1,936.59	1,194.92
Revenue from operations	5,079.12	4,460.84	4,629.28
Profit/ (loss) for the year / period	529.51	357.91	288.01
Earnings / (Loss) per Equity Share			
- Basic (in ₹)[1][3]	13.56	10.07	8.29
- Diluted (in ₹)[2][3]	13.56	10.07	8.29
Net asset value per Equity Share [4]	61.89	54.47	34.39
Total Borrowings[5]	75.77	412.13	636.39

(1) Basic Earnings per share (₹) = Net profit/ (loss) after tax, as restated attributable to equity shareholders divided by weighted average number of Equity Shares of face value of ₹ 10 each outstanding during the year as per Ind AS 33 – Earnings per share.

(2) Diluted Earnings per share (₹) = Net profit / (loss) after tax, as restated attributable to equity shareholders divided by weighted average number of diluted Equity Shares of face value of ₹ 10 each outstanding during the year as per Ind AS 33 – Earnings per share.

(3) EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015.

(4) *Net Asset Value per Equity Share = Net Worth at the end of the year divided by weighted average number of Equity Shares. Weighted average number of Equity Shares of face value of ₹ 10 each represents the shares used for computing Basic EPS.*

(5) *Total borrowing comprise of current borrowing and non-current borrowing.*

For further details, see '*Restated Financial Statements*' on page 371.

Qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements.

There are no qualifications included by our Statutory Auditors in the financial statements which have not been given effect to in the Restated Financial Statements.

Summary of Outstanding Litigations and other Material Developments

Set out below is a summary of outstanding litigation proceedings involving our Company, our Directors, Promoters, Key Managerial Personnels, and members of the Senior Management:

Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter in last 5 years	Material civil litigation	Aggregate amount involved (₹ in million)*
Company						
By our Company	Nil	NA	NA	NA	Nil	Nil
Against our Company	Nil	5	Nil	Nil	Nil	13.96
Promoters						
By our Promoter	Nil	NA	NA	NA	Nil	Nil
Against our Promoter	Nil	2	Nil	Nil	Nil	0.80
Directors (Other than Promoters)						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Key Managerial Personnels and members of Senior Management (other than Directors)						
By our Key Managerial Personnels and members of Senior Management	Nil	NA	Nil	NA	NA	NA
Against our Key Managerial Personnels and members of Senior Management	Nil	NA	Nil	NA	NA	NA

* *To the extent quantifiable*

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Company, the outcome of which could have a material impact on our Company. For further details of the outstanding litigation proceedings, see '*Outstanding Litigation and Material Developments'* on page 481.

Risk Factors

Set forth are the top 10 risk factors of the Company:

1. We generate significant revenues from our top 10 customers, and in Fiscals 2025, 2024 and 2023, revenue from our top 10 customers constituted 39.91%, 37.81%, and 43.02%, respectively, of our revenue from operations. We do not enter into long term contracts with our customers and the loss of such customers or a significant reduction in our revenue from such customers will have a material adverse impact on our business and financial condition.

2. Our success depends on our continuing relationship with our customers and we derive a significant majority of our revenue from repeat customers. In Fiscals 2025, 2024 and 2023, revenue from repeat customers constituted 86.10%, 80.04% and 78.80%, respectively, of our revenue from operations. Loss of one or more of our repeat customers or reduction in their demand for our offerings could adversely affect our business, results of operation and financial conditions.

3. We cater to diverse end use industries and customers in the automobile, infrastructure, Aggregate Crusher Manufacturer (**ACM**) and engineering industries contributed an aggregate of more than 95.00% in each of Fiscals 2025, 2024 and 2023, to our revenue from operations. Any adverse impact on these industries or result in the loss of customers in these end use industries could have an adverse effect on our business, revenue from operations and financial condition.

4. A substantial proportion of our sales is concentrated in India and sales to customers in India constituted 95.75%, 95.29% and 97.01% of our revenue from operations in Fiscals 2025, 2024 and 2023. Any inability to maintain and grow our revenues from our sales in India may have an adverse effect on our business, financial condition, result of operation, cash flows and future business prospects.

5. The cost of raw materials consumed, including through imports, constitutes the largest component of our expenses and cost of material consumed constituted 60.78%, 68.62%, and 75.40%, of our total expenses during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Substantial delay or failure to procure necessary raw materials could have an adverse impact on our operations and our ability to meet our customer obligations which could adversely impact on our business and our revenue.

6. We are reliant on raw materials that are procured from third party suppliers with whom we do not have long term contracts. Failure to ensure a consistent supply of raw materials at commercially acceptable prices will adversely affect our business and financial condition.

7. Purchase of raw materials, stock in trade and consumables such as scrap, ferro alloy, rolls, ingots and billets from our top 10 vendors constitutes more than 35% of our cost of materials purchased in each of Fiscals 2025, 2024 and 2023. Any loss of such vendors/suppliers or any increase in the price could have adverse impact on our business and our revenue.

8. Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.

9. We are heavily reliant on our alloy steel products, metal rolls and engineering castings business segment which cumulatively contributed more than 90.00% to our revenue from operations in each of Fiscal 2025, Fiscal 2024 and Fiscal 2023.

10. Delays or defaults in customer payments and receivables may adversely impact our profits and cash flows.

Specific attention of Investors is invited to '*Risk Factors*' on page 36. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities and commitments of our Company

The details of the contingent liabilities and commitments of our Company as at March 31, 2025, are set forth below:

(*in ₹ million*)

Particulars	**As at March 31, 2025**
Contingent Liabilities	
Liability on account of Bank Guarantee issued in favour of others	12.13
Others*	19.93
Total	**32.06**
Commitments	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	53.04
Total	**53.04**

**The Company was subjected to a GST audit under Section 65 of the CGST Act, 2017, for the period from April 2018 to March 2023. Pursuant to the audit, a total demand of ₹ 9.18 millions has been raised by the tax authorities towards tax, interest, and*

penalty. The Company has paid ₹ 2.20 millions and the balance amount of ₹ 6.98 millions has been contested and disclosed as a contingent liability, as the matter is under dispute and pending adjudication.
**Demand of ₹12.12 million has been raised by the Income Tax Department for AY 2024-25 on account of TDS credit mismatch. The matter is pending reconciliation with the Assessing Officer and no provision has been made in the financial statements.*
**Demand of ₹0.17 million has been raised by TRACES towards alleged TDS/TCS defaults. The Company has preferred rectification against the said demand, which is currently under review by the relevant authorities*
**Show cause notice issued by the GST Department in connection with a search conducted at the premises of one of the Company's suppliers, proposing a demand of ₹0.66 million, which is under dispute.*

For further details, see '*Restated Financial Statements – Note 35 – Contingent Liabilities and Commitments*' on page 418.

Summary of Related Party Transactions

Set out below are the summary of our related party transactions from our Restated Financial Statements as at and for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(*In ₹ million*)

Sr. No.	Particulars	Total		
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
1	**Interest Paid**	**-**	**1.93**	**13.94**
	Key Management Personnel (KMP)			
	Lovlish Garg	-	-	0.02
	Parkash Chand Garg	-	-	0.88
	Relatives of KMP			
	Aakanksha Garg	-	-	0.95
	Anju Garg	-	-	1.98
	Bhanu Garg	-	-	3.98
	Bhuvnesh Garg	-	-	0.88
	Ivansh Garg	-	-	0.01
	Kanav Garg	-	-	1.59
	Pratibha Goyal	-	-	0.10
	Rajesh Garg	-	-	0.22
	Yogita Garg	-	-	0.57
	Enterprises over which KMP is able to exercise significant influence or control			
	Dinesh Garg HUF	-	0.03	0.62
	Lovlish Garg HUF	-	0.32	0.26
	Parkash Chand Garg HUF	-	1.07	1.27
	Rajesh Garg HUF	-	0.51	0.61
2	**Managerial remuneration***	**3.84**	**9.65**	**13.80**
	Key Management Personnel (KMP)			
	Dinesh Garg	1.80	4.60	6.60
	Lovlish Garg	2.04	5.05	7.20
3	**Freight Paid**	**1.13**	**2.82**	**1.77**
	Enterprises over which KMP is able to exercise significant influence or control			
	Belco Ispat & Alloys	1.13	2.82	1.77
4	**Rent paid**	**4.35**	**5.76**	**6.03**

(*In ₹ million*)

Sr. No.	Particulars	Total		
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Relatives of KMP			
	Rajesh Garg	-	-	0.27
	Yogita Garg	2.29	2.88	2.73
	Anju Garg	0.36	0.72	0.72
	Aakanksha Garg	1.20	1.20	1.05
	Key Management Personnel (KMP)			
	Parkash Chand Garg	-	-	0.30
	Enterprises over which KMP is able to exercise significant influence or control			
	Dinesh Garg HUF	-	0.48	0.48
	Rajesh Garg HUF	0.25	0.48	0.48
	Belco Ispat & Alloys	0.25	-	-
5	**Salary Paid***	**6.96**	**8.42**	**9.02**
	Relatives of KMP			
	Rajesh Garg	1.19	2.04	2.04
	Kanav Garg	2.04	2.74	3.14
	Aakanksha Garg	-	1.00	1.50
	Simran Garg	-	0.60	-
	Bhuvnesh Garg	-	2.04	2.34
	Key Management Personnel (KMP)			
	Bhuvnesh Garg	2.04	-	-
	Aakarsh Goyal	0.78	-	-
	Sanjeev Kumar Sehgal	0.67	-	-
	Sucheta Aggarwal	0.24	-	-
6	**Interest Received**	**-**	**4.98**	**1.62**
	Enterprises over which KMP is able to exercise significant influence or control			
	BLC Metals Private Limited	-	4.98	1.62
7	**Purchase of Goods**	**-**	**0.02**	**2.17**
	Enterprises over which KMP is able to exercise significant influence or control			
	BLC Metals Private Limited	-	0.02	2.17
8	**Sale of Investment**	**36.49**	**-**	**-**
	Key Management Personnel (KMP)			
	Dinesh Garg	32.34	-	-
	Enterprises over which KMP is able to exercise significant influence or control			
	Dinesh Garg HUF	4.15	-	-
9	**Loan Given**	**-**	**240.32**	**24.38**

(*In ₹ million*)

Sr. No.	Particulars	Total		
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Enterprises over which KMP is able to exercise significant influence or control			
	BLC Metals Private Limited	-	240.32	24.38
10	**Loan Received Back**	**-**	**240.32**	**24.38**
	Enterprises over which KMP is able to exercise significant influence or control			
	BLC Metals Private Limited	-	240.32	24.38
11	**Amount Paid against Preference Share Redemption**	**104.00**	-	-
	Enterprises over which KMP is able to exercise significant influence or control			
	BLC Metals Private Limited	94.00	-	-
	Dinesh Garg HUF	10.00	-	-
12	**Loans Accepted**	**1.81**	**218.51**	**151.75**
	Key Management Personnel (KMP)			
	Dinesh Garg	0.30	33.55	3.13
	Lovlish Garg	0.15	33.00	11.62
	Parkash Chand Garg	0.13	1.73	16.96
	Relatives of KMP			
	Bhanu Garg	-	52.59	49.69
	Bhuvnesh Garg	-	18.50	5.81
	Kanav Garg	-	22.80	20.93
	Pratibha Goyal	-	1.04	1.63
	Rajesh Garg	-	9.80	1.39
	Yogita Garg	0.10	20.25	2.99
	Anju Garg	0.48	19.50	13.13
	Aakanksha Garg	-	2.19	2.64
	Simran Garg	0.40	0.79	-
	Enterprises over which KMP is able to exercise significant influence or control			
	Dinesh Garg HUF	0.25	2.02	8.92
	Lovlish Garg HUF	-	0.30	3.55
	Parkash Chand Garg HUF	-	0.45	0.22
	Rajesh Garg HUF	-	-	9.15
13	**Loans Repaid**	**331.73**	**251.35**	**139.65**
	Key Management Personnel (KMP)			
	Dinesh Garg	78.72	28.69	2.15
	Lovlish Garg	97.31	23.90	7.94
	Parkash Chand Garg	0.20	18.95	13.71
	Bhuvnesh Garg	15.00	-	-
	Relatives of KMP			
	Rajesh Garg	10.05	-	-
	Bhanu Garg	50.00	65.26	27.56

(*In ₹ million*)

Sr. No.	Particulars	Total		
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
	Bhuvnesh Garg	-	15.19	4.47
	Ivansh Garg	0.12	-	-
	Kanav Garg	23.08	25.00	19.54
	Pratibha Goyal	-	3.76	0.15
	Rajesh Garg	-	-	11.29
	Simran Garg	1.19	-	-
	Yogita Garg	16.07	9.50	7.33
	Anju Garg	33.45	19.60	18.58
	Aakanksha Garg	-	11.97	0.51
	Enterprises over which KMP is able to exercise significant influence or control			
	Dinesh Garg HUF	0.79	5.40	13.01
	Lovlish Garg HUF	4.03	0.20	2.95
	Parkash Chand Garg HUF	1.01	15.68	0.18
	Rajesh Garg HUF	0.71	8.25	10.28

"0.00" represents figures below rounding-off norms / negligible amounts
Note-
(i) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end is unsecured.
(ii) Personal Guarantees of the Directors have been provided for Loan. (Refer Note No. 18)
** (iii) Long-term employee benefits for Key Managerial Personnel and Relatives of Key Managerial Personnel*
The personnel except Dinesh Garg and Lovlish Garg are covered by Company's gratuity policy and are eligible for compensated absences along with other employees of the Company. The proportionate amount of gratuity and compensated absences cost pertaining to managerial remuneration and salary payable have not been included in aforementioned disclosures as these are not determined on individual basis

For further details, see '*Restated Financial Statements – Note 39 – Related Party Disclosures*' on page 421.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any other person of securities of our Company, other than in the normal course of business of the relevant financing entity, during a period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

Average Cost of Acquisition of Equity Shares by our Promoters and the Selling Shareholders

The average cost of acquisition per Equity Share for our Promoters and Selling Shareholders is:

Name	Number of Equity Shares	Average Cost of Acquisition per Equity Share (in ₹)^
Promoters		
Lovlish Garg*	5,532,125	2.72
Dinesh Garg	4,072,195	1.55
Rajesh Garg*	3,897,115	1.12
Parkash Chand Garg	2,798,160	1.66
Bhuvnesh Garg	2,201,550	3.46
Selling Shareholder		
Yogita Garg	3,359,600	4.08
Dinesh Kumar Garg HUF	2,967,125	5.18
SG Tech Engineering Private Limited	3,903,935	89.65

** Also, Selling Shareholder*
^ As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.

Details of price at which Equity Shares were acquired by our Promoters, the members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate Directors or other rights in the last 3 years preceding the date of this Draft Red Herring Prospectus

Save and except for below, our Promoters, the members of our Promoter Group, the Selling Shareholders and Shareholders with right to nominate Directors or other rights have not acquired any specified securities in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Name	Date of Acquisition	Number of Equity Shares of face value of ₹ 10 each Acquired	Face Value (in ₹)	Acquisition price per Equity Share^
Promoters				
Prakash Chand Garg	September 1, 2024	599	10	NA
	February 1, 2025	276,710	10	NA
	May 1, 2025	2,238,528	10	NA
Rajesh Garg*	September 1, 2024	1	10	NA
	September 1, 2024	1	10	NA
	September 1, 2024	19,000	10	NA
	February 1, 2025	227,375	10	NA
	April 4, 2025	148,326	10	NA
	May 1, 2025	3,117,692	10	NA
Dinesh Garg	February 1, 2025	227,375	10	NA
	April 25, 2025	249,764	10	NA
	May 1, 2025	3,257,756	10	NA
Lovlish Garg*	February 1, 2025	272,225	10	NA
	May 1, 2025	2,673,700	10	NA
	September 18, 2025	2,190,000	10	NA
Bhuvnesh Garg	February 1, 2025	276,710	10	NA
	May 1, 2025	1,761,240	10	NA
Promoter Group				
Kanav Garg	February 1, 2025	264,750	10	NA
	May 1, 2025	2,542,200	10	NA
Lovlish Garg HUF	February 1, 2025	114,000	10	NA
	May 1, 2025	556,000	10	NA
Rajesh Kumar Garg HUF	February 1, 2025	196,225	10	NA
	May 1, 2025	1,572,896	10	NA
Dinesh Kumar Garg HUF*	February 1, 2025	196,225	10	NA
	May 1, 2025	2,373,700	10	NA
Anju Garg	September 1, 2024	4	10	500.00
	February 1, 2025	272,225	10	NA
	May 1, 2025	2,609,700	10	NA
	May 19, 2025	2,614,740	10	NA
Yogita Garg*	February 1, 2025	273,720	10	NA
	May 1, 2025	2,687,680	10	NA
Pratibha Goyal	January 8, 2024	77,676	10	NA
	May 1, 2025	159,104	10	NA
Bhanu Garg	February 1, 2025	264,750	10	NA
	May 1, 2025	2,091,792	10	NA
Ridhisha Achal Bansal	May 1, 2025	800	10	NA
Kiran Garg	August 14, 2024	19,000	10	NA
Prakash Chand Garg HUF#	February 1, 2025	86,710	10	NA
Selling Shareholders				
	January 20, 2024	780,787	10	448.26

Name	Date of Acquisition	Number of Equity Shares of face value of ₹ 10 each Acquired	Face Value (in ₹)	Acquisition price per Equity Share^
SG Tech Engineering Private Limited	May 1, 2025	3,123,148	10	NA
Other Shareholders with special rights –Nil				

** Also, Selling Shareholder.*

^As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.

 # Prakash Chand Garg HUF has dissolved and accordingly, have not been mentioned in the list of entities forming part of our Promoter Group. For details, see 'Capital Structure – 3. Acquisition of Equity Shares of our Company through secondary transactions by our Shareholders (other than the transactions involving our Promoters)'

For further details, see '*Capital Structure*' on page 103.

Weighted average cost of acquisition of all Equity Shares transacted in the 3 years, 18 months and 1 year preceding the date of this Draft Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition^	Range of acquisition price: Lowest price – highest price* (in ₹)
Last 3 years	10.15	[●]	0-500.00
Last 18 months	0.00	[●]	0-500.00
Last 1 year	0.00	[●]	0-500.00

** As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.*

^ To be updated in the Prospectus.

Weighted average price at which the specified securities were acquired by our Promoters and the Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus

Weighted average price at which the specified securities were acquired by our Promoters and Selling Shareholders in the last one year is given below:

Name	Number of Equity Shares	Weighted average price of acquisition per Equity Shares of face value of ₹ 10 each (in ₹)^
Promoters		
Lovlish Garg*	5,135,925	NA
Dinesh Garg	3,734,895	NA
Rajesh Garg*	3,493,393	NA
Parkash Chand Garg	2,515,238	NA
Bhuvnesh Garg	2,037,950	NA
Selling Shareholders		
Yogita Garg	2,961,400	NA
Dinesh Kumar Garg HUF	2,569,925	NA
SG Tech Engineering Private Limited	3,123,148	NA

^ As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.

**Also, Selling Shareholder*

Details of Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares of face value of ₹ 10 each from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

Issue of Equity Shares for consideration other than cash in the last 1 year

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares of face value of ₹ 10 each (including bonus shares) by capitalizing any revaluation reserves. Except as set forth below, our Company has not issued any Equity Shares of face value of ₹ 10 each for consideration other than cash or by way of bonus issue in the last 1 year preceding the date of this Draft Red Herring Prospectus.

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Face value (₹)	Issue price per equity share (₹)	Form of consideration	Reasons for allotment	Benefits if any that have accrued to our Company
February 1, 2025	2,949,000	10	NA	Other than Cash	Allotment of Equity Shares of face value of ₹ 10 each pursuant to Scheme of Amalgamation	Acquisition of the entire business along with all the property, rights and power, all liabilities, duties assets, benefits and interest of Belco Special Steels Private Limited and Parkash Multimetals Private Limited
May 1, 2025	31,231,460	10	NA	Other than Cash	Bonus Issue in the ratio of 4 Equity Shares of face value of ₹ 10 each for each Equity Shares of face value of ₹ 10 each held on the record date i.e., May 1, 2025.	Nil

Split / Consolidation of Equity Shares of our Company in the last 1 year

Our Company has not undertaken any split / consolidation of Equity Shares of face value of ₹ 10 each in the last 1 year preceding the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws since its incorporation.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to 'India', contained in this Draft Red Herring Prospectus are to the Republic of India. All references to the 'Government', 'Indian Government', 'GOI', 'Central Government' are to the Government of India and all references to the 'State Government' are to the government of the relevant state.

All references herein to the "US", the "U.S.", "U.S.A" or the "United States" are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers of this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular year. Accordingly, all references to a particular Fiscal or Financial Year, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Certain other financial information pertaining to our Group Company are derived from its audited financial statements.

Unless stated, or, the context requires, otherwise all financial information and financial ratios in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements of our Company comprising the restated statement of assets and liabilities of our Company as at the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, the restated summary statements of profit and loss of our Company, the restated summary statement of cash flows and the restated statement of changes in equity for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, and the summary of material accounting policies and other explanatory information prepared in accordance with Ind AS and restated in accordance with section 26 of the Companies Act and the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. The Restated Financial Statements have been prepared to comply in all material respects with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, presentation requirements of division II of Schedule III to the Companies Act, 2013. For further information, see *'Financial Information'* on page 371.

Non-GAAP Measures

Certain non-GAAP measures included and presented in this Draft Red Herring Prospectus, for instance such as EBITDA, EBITDA margin, ROCE, ROE, inventory turnover ratio and debt to equity (**Non-GAAP Measures**), are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, IFRS or U.S. GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or U.S. GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or U.S. GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, Non-GAAP Measures used are not a standardised term, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with the applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See '*Risk Factor - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Earnings before interest, tax, depreciation and amortization expenses (EBITDA), EBITDA margin, return on capital employed (ROCE), return on equity (ROE), inventory turnover ratio and debt to equity, have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*' on page 74.

There are significant differences between Ind AS, U.S. GAAP and IFRS. See '*Risk Factor – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be*

material to the Restated Financial Statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus'. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as stated otherwise, all figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Currency and Units of Presentation

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to (a) 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India; (b) 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America; and (c) 'Euro' or 'EUR' or '€' are to Euros, the official currency of the member states of European Union.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in 'million' units, or in absolute numbers where the number has been too small to present in million unless as stated, otherwise, as applicable. 1 million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Any percentage amounts (excluding certain operational data), as set forth in *'Risk Factors', 'Our Business', 'Management's Discussion and Analysis of Financial Conditions and Results of Operation'* on pages 36, 293, and 449, elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Statements.

Time

Unless stated otherwise, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

This Draft Red Herring Prospectus contains conversion 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 Rupees, USD and Euro:

(In ₹)

Currency	Exchange Rate as on		
	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	85.58	83.37	82.22
1 Euro	92.32	90.22	89.61

Source: www.fbil.org.in

Note: If the reference rate is not available on a particular date due to a public holiday, rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

Industry and Market Data

Unless otherwise indicated, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from report titled '*Assessment of metal rolls and engineering castings industry* ' dated September 2025 prepared and issued by CRISIL, appointed by us pursuant to a letter dated December 23, 2024,and exclusively commissioned and paid for by us in connection with the Offer. A copy of the CRISIL Report is available on the website of our Company at https://www.beharilalengineering.com/quality-assurance.php from the date of this Draft Red Herring Prospectus till the Bid/ Offer Closing Date. CRISIL was appointed by our Company and is an independent agency, not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management Personnel, of our Company and BRLMs. For risks in relation to commissioned reports, see '*Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks'* on page 73.

Disclaimer of CRISIL

For the preparation of this report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India."

Except for the CRISIL Report we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that extracted or obtained from the CRISIL Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

The data used in industry sources and publications may have been re-classified for the purposes of presentation. Data from these sources may also not be comparable. The data used in the industry sources and publication involves risks uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the '*Risk Factors*' on page 36. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

Further, the extent to which the market and industry data used in this Draft Red Herring Prospectus 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 we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In addition, certain data in relation to our Company used in this Draft Red Herring Prospectus has been obtained or derived from the CRISIL Report which may differ in certain respects from our Restated Financial Statements as a result of, *inter alia*, the methodologies used in compiling such data. Accordingly, investment decision should not be made based on such information.

In accordance with the SEBI ICDR Regulations, the section '*Basis for Offer Price*' on page 154, includes information relating to our peer group companies and industry averages. Such information has been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain 'forward-looking statements' which are not historical facts. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'can', 'could', 'expect', 'estimate', 'intend', 'may', 'likely', 'objective', 'plan', 'propose', 'project', 'seek to', 'will', 'will continue', 'will pursue' or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance, or financial needs are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue, and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industry in India in which we operate 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 in India which have an impact on its 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 and changes in competition in the industry in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. We generate significant revenues from our top 10 customers, and in Fiscals 2025, 2024 and 2023, revenue from our top 10 customers constituted 39.91%, 37.81%, and 43.02%, respectively, of our revenue from operations. We do not enter into long term contracts with our customers and the loss of such customers or a significant reduction in our revenue from such customers will have a material adverse impact on our business and financial condition.

2. Our success depends on our continuing relationship with our customers and we derive a significant majority of our revenue from repeat customers. In Fiscals 2025, 2024 and 2023, revenue from repeat customers constituted 86.10%, 80.04% and 78.80%, respectively, of our revenue from operations. Loss of one or more of our repeat customers or reduction in their demand for our offerings could adversely affect our business, results of operation and financial conditions.

3. We cater to diverse end use industries and customers in the automobile, infrastructure, Aggregate Crusher Manufacturer (**ACM**) and engineering industries contributed an aggregate of more than 95.00% in each of Fiscals 2025, 2024 and 2023, to our revenue from operations. Any adverse impact on these industries or result in the loss of customers in these end use industries could have an adverse effect on our business, revenue from operations and financial condition.

4. A substantial proportion of our sales is concentrated in India and sales to customers in India constituted 95.75%, 95.29% and 97.01% of our revenue from operations in Fiscals 2025, 2024 and 2023. Any inability to maintain and grow our revenues from our sales in India may have an adverse effect on our business, financial condition, result of operation, cash flows and future business prospects.

5. The cost of raw materials, including through imports, constitutes the largest component of our expenses and cost of material consumed constituted 60.78%, 68.62%, and 75.40%, of our total expenses during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Substantial delay or failure to procure necessary raw materials could have an adverse impact on our operations and our ability to meet our customer obligations which could adversely impact on our business and our revenue.

For a further discussion on factors that could cause actual results to differ from expectations, see '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on pages 36, 293 and 449 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure you that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Selling Shareholders, our Directors, the BRLMs nor any of their respective affiliates 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 the SEBI ICDR Regulations, our Company will ensure that the investors in India are informed of material developments pertaining to our Company and the Offered Shares from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

The Selling Shareholders, severally and not jointly, shall ensure that investors are informed of material developments in relation to statements and undertakings specifically made or confirmed by such Selling Shareholder to the extent of information specifically pertaining to them as Selling Shareholders and their portion of the Equity Shares of face value of ₹ 10 each offered in this Offer in the Draft Red Herring Prospectus until the receipt of final listing and trading approvals from the Stock Exchanges for this Offer.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares.

The risks described in this section are not the only ones relevant to us or the Equity Shares of face value of ₹ 10 each but also includes the industry and segments in which we currently operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or a combination of risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares of face value of ₹ 10 each could decline, and you may lose all or part of your investment. To obtain a complete understanding of us, prospective investors should read this section in conjunction with 'Industry Overview', 'Our Business', 'Key Regulations and Policies' 'Financial Indebtedness', 'Restated Financial Statements' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 179, 293, 327, 445, 371 and 449, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Unless stated, or the context requires, otherwise, our financial information has been derived from the Restated Financial Statements included in this Draft Red Herring Prospectus. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see 'Forward-Looking Statements' on page 34.

*Unless otherwise indicated, industry and market data used in this section has been derived from 'Assessment of metal rolls and engineering castings industry' dated September 2025 prepared by CRISIL (**CRISIL Report**). The CRISIL Report has been exclusively commissioned for the Offer and paid for by our Company, and was prepared and released by CRISIL, who were appointed by us pursuant to an engagement letter dated December 23, 2024. The data included herein includes excerpts from the CRISIL Report which may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. None of our Company, Promoters, Directors, Key Managerial Personnel, members of the Senior Management and members of the Promoter Group, and the BRLMs are related to CRISIL. A copy of the CRISIL Report is available at https://www.beharilalengineering.com/quality-assurance.php. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. 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.*

Internal Risk Factors

1. ***We generate significant revenues from our top 10 customers, and in Fiscals 2025, 2024 and 2023, revenue from our top 10 customers constituted 39.91%, 37.81%, and 43.02%, respectively, of our revenue from operations. We do not enter into long term contracts with our customers and the loss of such customers or a significant reduction in our revenue from such customers will have a material adverse impact on our business and financial condition.***

   We are an integrated iron and steel manufacturing company specializing in customized engineering solutions. With over 2 decades of expertise, we provide customized components tailored to meet the specific needs of our customers. Our precision engineered products find application across diverse industries such as steel, mining, railways, construction, power, paper, rubber, cement and sugar. The

broad range of industrial applications has also enabled us to cater to a large number of domestic and international customers.

While our customers may vary annually, we generate significant revenues from our top 10 customers every year. Consequently, our business and financial condition in any given financial year is reliant on our top 10 customers. The revenues generated from our top 3, 5 and top 10 customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements, is set out below.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations *(in ₹ million)*	% of revenue from operations	Revenue from operations *(in ₹ million)*	% of revenue from operations	Revenue from operations *(in ₹ million)*	% of revenue from operations
Top 3	975.68	19.21	844.92	18.94	932.17	20.14
Top 5	1,413.11	27.82	1,242.75	27.86	1,385.37	29.93
Top 10	2,027.16	39.91	1,686.51	37.81	1,991.32	43.02

We do not enter into long term contracts with our customers (i.e. contracts for a duration of more than 1 year) and our business is based on purchase orders placed on us by our customers. Accordingly, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers and we have over the time built long term relationship with our customers. For instance, our top 10 customers for Fiscal 2025 have been with us for an average duration of 7 years. For details of our long term relationships please see *'Our Business - Long standing relationships with a large number of customers spread across a wide array of end-user industries with stringent qualification processes' on* page 297. While none of the top 10 customers, in each of the financial periods mentioned in the table above, individually contributed 10% of our revenue from operations, disparate customers have contributed more than 5% in each financial year. Our ability to maintain our relationships with our customers, particularly, our long standing customers is a key element of our business and our growth, and failure or inability to consistently generate business from our top 10 customers, for any reason (including, due to failure to negotiate acceptable terms, adverse change in the financial condition of such customers for various factors such as possible bankruptcy or liquidation or other financial hardship, merger or decline in sales from such customers, reduced or delayed customer requirements, facility shutdowns, labour strikes, geopolitical reasons and, or, other work stoppages affecting production by such customers) could have a material adverse impact on our business, results of operations, financial condition and cash flows. We cannot assure you that we will continue to be able to generate revenues from these customers at these levels or at all, or that we will be able offset any reduction in revenue from these customers through sales to other customers or by obtaining new customers.

2. ***Our success depends on our continuing relationship with our customers and we derive a significant majority of our revenue from repeat customers. In Fiscals 2025, 2024 and 2023, revenue from repeat customers constituted 86.10%, 80.04% and 78.80%, respectively, of our revenue from operations. Loss of one or more of our repeat customers or reduction in their demand for our offerings could adversely affect our business, results of operation and financial conditions.***

We have established long standing relationships with a large number of our customers. Set out in the table below is the duration of our relationship with some of our key customers who have been associated with our Company for over 10 years each.

Customer	Industry	Duration of relationship (in years)
Madhav KRG Limited	Infrastructure	13
Mangala Ispat Jaipur Pvt. Ltd	Infrastructure	12
Shyam Metalics and Energy Limited	Infrastructure	11
Kashmir Ispat	Infrastructure	11
Jai Balaji Industries Ltd	Infrastructure	10

Customer	Industry	Duration of relationship (in years)
MSP Steel & Power Limited	Infrastructure	10
Hariom Pipe Industries Pvt. Ltd.	Infrastructure	10
Shyam Steel Industries Limited	Infrastructure	10

Further, set out in the table below are the details of customers who we have retained over the financial periods set out below:

	As of and for the financial year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
No. of customers retained from the previous financial period*	378	366	270
% of customers retained from the preceding financial period	63.42	62.56	47.37

** Repeat customers (Repeat customers are customers which have at least given 1 order in the previous financial year)*

Details of revenue from the 378 customers, 366 customers and 270 customers, respectively, who were repeat customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023 is as below,

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations
Revenues from repeat customers	4,372.98	86.10	3,570.50	80.04	3,647.83	78.80

We cannot assure you that we will be able to retain the business of our existing key customers or maintain the current level of business with each of our customers. Consequently, our business, results from operations, and financial condition are dependent on our maintaining our relationship with our customers, and, in particular, continuing to receive orders from such customers. Failure to receive orders from our customers or our inability to do so on commercially viable terms could have an adverse impact on our revenue and, or margin and consequently our profitability. While there has been no instance of loss of customers which had an adverse impact on the business of our Company, in Fiscal 2025, Fiscal 2024 and Fiscal 2023, we cannot assure you that such an event will not occur in the future, or that our Company will be able to off-set the loss of revenue from such customers through orders from other existing or new customers.

3. ***We cater to diverse end use industries and customers in the automobile, infrastructure, Aggregate Crusher Manufacturer (ACM) and engineering industries contributed an aggregate of more than 95.00% in each of Fiscals 2025, 2024 and 2023, to our revenue from operations. Any adverse impact on these industries or result in the loss of customers in these end use industries could have an adverse effect on our business, revenue from operations and financial condition.***

We cater to a wide array of end-user industries including aerospace and defence, aggregate crusher manufacturing, automobile, cement, defence, engineering – industrial equipment, finished steel manufacturing, infrastructure, power and railways.

Set out below is our revenue from operations from our end-user industries during Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Automobiles	2,475.88	48.75	2,480.73	55.61	3,034.47	65.55
Infrastructure	939.98	18.51	906.81	20.33	845.28	18.26
Aggregate Crusher Manufacturer	894.31	17.61	747.32	16.75	608.36	13.14
Engineering - Industrial Equipment	666.85	13.13	209.81	4.71	76.73	1.66
Others*	102.10	2.00	116.17	2.60	64.44	1.39
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

**'Others' includes aerospace and defence, cement, and thermal power plants.*

As can be seen from the table above, while our reliance on our largest industry segment i.e. automobiles, has steadily reduced from 65.55% in Fiscal 2023 to 48.75% in Fiscal 2025, we cannot assure you that this trend will continue. Conversely, our revenue from the automobile industry has been reducing in absolute Rupee terms as well, from ₹ 3,034.47 million in Fiscal 2023 to ₹ 2,475.88 million in Fiscal 2025. If our revenue from the automobile industry continues to reduce and if we are unable to off-set it with revenues from other industries, our financial condition, business and growth prospects could be adversely affected.

Our commercial success also depends to a large extent on the success of our customers in the end use industries, therefore, our sales may be adversely affected by any downturn in the end use industries or specifically, our customers in end use industries, for any reason including macroeconomic and geopolitical factors, supply-chain issues, high interest rates and labour shortages. Therefore, our business operations, revenue from operations and financial condition may be adversely affected, as a result of, *inter alia*, decline in demand of our products including due to the emergence of low-cost products, if entities in the end use industries move towards other customers, if there is increase in competition, pricing pressures, and change in government policies and regulatory action. Any or all of these factors may have an adverse effect on our business prospects, and sales of our products could decline substantially and / or also adversely affect our profitability. While we have not faced any loss of customers from the aforementioned industries, in Fiscals 2025, 2024 and 2023, which has had a material adverse impact on our business, revenue from operations and financial condition, loss of a key customer or a general downturn in the industry in which our customers operate could have an adverse impact on our business, revenue from operations, and financial condition. Further, we cannot assure you that the sales to the other end use industries will increase or be sufficient to off-set any reduction in revenue from our currently largest revenue generating end use industries.

4. ***A substantial proportion of our sales is concentrated in India and sales to customers in India constituted 95.75%, 95.28% and 97.01% of our revenue from operations in Fiscals 2025, 2024 and 2023. Any inability to maintain and grow our revenues from our sales in India may have an adverse effect on our business, financial condition, result of operation, cash flows and future business prospects.***

While our products are also sold overseas across 15 countries across 5 continents, the vast majority of our sales is to customers within India and we generate a significant proportion of our revenue from operations from sales to customers in India. Set out in the table below are the number of customers we catered to in Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
No. of customers in India*	563	560	550

** Customers from whom revenue was generated in each of the mentioned financial periods (excluding deemed export customers).*

Set out below are the details of our revenues from sales to customers in India and overseas during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations
Domestic customers	4,859.33	95.67	4,245.17	95.17	4,489.57	96.98
Overseas customers*	219.79	4.33	215.67	4.83	139.71	3.02
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

** Including deemed exports and export benefits*

Loss of all or a substantial portion of sales to any of our customers from India, for any reason (including due to any material adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or local government) could have an adverse effect on our business results of operations, financial conditions, cash flows and future business prospects in India. While there has been no such instance in Fiscals 2025, 2024 and 2023, which has resulted in a material adverse impact on the financial condition of our Company, we cannot assure you that such an event will not occur in the future or upon occurrence of such an event, our Company will be able to successfully venture into other geographies to mitigate the loss.

5. ***The cost of raw materials, including through imports, constitutes the largest component of our expenses and cost of material consumed constituted 60.78%, 68.62%, and 75.40%, of our total expenses during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Substantial delay or failure to procure necessary raw materials could have an adverse impact on our operations and our ability to meet our customer obligations which could adversely impact on our business and our revenue.***

As a manufacturing company, raw materials are critical to our operations. Our primary raw materials are scrap and ferro alloys (i.e. iron combined with other metals). We source our scrap and ferro alloys from both domestic (primarily sourcing directly from industrial manufacturers) and international suppliers. The other raw materials used in our manufacturing process are ingots/billets. Our raw material cost during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements, is set out below.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	% of total expenses	Amount (₹ million)	% of total expenses	Amount (₹ million)	% of total expenses
Cost of raw materials consumed*	2,716.46	60.78	2,745.21	68.62	3,236.52	75.40
Cost of raw materials consumed from imports	62.52	1.40	71.50	1.79	88.43	2.06

** Includes cost of raw materials consumed from imports.*

As can be seen from the table above, our cost of materials consumed constituted more than 50% of our total expenses in each of the financial periods disclosed. An uninterrupted supply of raw materials is

essential to ensuring smooth manufacturing operations and is key to our ability to meet customer demand within the delivery schedules committed to our customers. Additionally, we also import certain raw materials from countries such as Canada, China and the United Arab Emirates (**UAE**).

Any disruption in our supplies, domestic or international, whether to shortage or due to factors such as wars, domestic or international discord or sanctions, could require us to find alternate sources. If we are unable to find an alternate source in a timely and cost efficient manner, it could adversely affect our manufacturing operations. Further, with growth in our business, our raw material requirement and the cost thereof, will continue to increase which could exacerbate any risk of shortage or unavailability. Accordingly, inability to procure, or delay in procuring, requisite quantities of quality raw materials at commercially acceptable rates in a timely manner could adversely affect our ability to meet customer demand, our business and financial condition.

6. ***We are reliant on raw materials that are procured from third party suppliers with whom we do not have long term contracts. Failure to ensure a consistent supply of raw materials at commercially acceptable prices will adversely affect our business and financial condition.***

Our manufacturing process requires a large number of raw materials. Some of our key raw materials are scrap and ferro alloy i.e. iron combined with other metals and ingots. The other raw materials used in our manufacturing process include billets and sand. We procure these raw materials from third party suppliers who are neither related parties nor related to our Company, our Promoters, our Directors, KMP or members of Senior Management. Set out below are details of the cost of our key raw materials, in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount *(in ₹ million)*	**% of total expenses**	**Amount *(in ₹ million)***	**% of total expenses**	**Amount *(in ₹ million)***	**% of total expenses**
Scrap	2,066.69	46.24	1,454.54	36.36	1,741.03	40.56
Ingot	529.13	11.84	1,144.56	28.61	1,291.61	30.09
Ferro Alloys	112.03	2.51	142.1	3.55	181.84	4.24
Billet	2.48	0.05	0.36	0.01	22.04	0.51
Others	6.14	0.14	3.65	0.09	-	-
Cost of materials consumed	**2,716.46**	**60.78**	**2,745.21**	**68.62**	**3,236.52**	**75.40**

We do not enter into long term contracts or other arrangements with the suppliers of our raw materials and rely on purchase orders which are placed as required. While there are a number of suppliers of raw materials we, generally, procure our raw materials from select suppliers with whom we have worked in the past and who have provided us raw materials of acceptable quality at commercially viable rates. If our customary suppliers are unable to or fail to provide us raw materials of acceptable quality within expected timelines we will be constrained to procure raw materials from suppliers with whom we do not generally work, which could adversely affect the quality and commercial viability of our raw materials, which could, in turn, adversely affect our manufacturing operations and our product delivery timelines. If we are unable to meet our product delivery timelines, our customers could impose monetary penalties on us which could adversely affect our reputation and our results of operations. Therefore, failure to ensure a steady supply of quality raw materials at commercially acceptable rates could have an adverse impact on our business, results of operations and financial condition.

7. ***Purchase of raw materials, stock in trade and consumables such as scrap, ferro alloy, rolls, ingots and billets from our top 10 vendors constitutes more than 35% of our cost of materials consumed in each***

of Fiscals 2025, 2024 and 2023. Any loss of such vendors/suppliers or any increase in the price could have adverse impact on our business and our revenue.

A few select vendors/suppliers account for a large percentage of our total purchase of raw materials particularly our primary raw materials, stock in trade and consumables such as scrap, ingots and ferro alloys. During Fiscal 2025, Fiscal 2024 and Fiscal 2023, the cost of raw materials purchased from our top 3, 5 and 10 vendors / suppliers, based on our Restated Financial Statements, was as below:

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	Amount (in ₹ million)	% total purchases	Amount (in ₹ million)	% total purchases	Amount (in ₹ million)	% total purchases
Top 3 vendors	645.89	17.74	793.81	23.89	687.68	18.62
Top 5 vendors	951.40	26.14	1,119.01	33.68	911.36	24.68
Top 10 vendors	1385.04	38.05	1,583.14	47.65	1,293.08	35.01

The price of the raw materials and consumables that we require for our manufacturing operations may be affected by multiple factors beyond the control of our Company and aspects such as inconsistency in the quality could lead to a fluctuation in price. Further, we typically place purchase orders with our vendors but do not enter into long term contracts or arrangements for procuring raw materials and consumables. We cannot assure you that we will be able to continue to procure raw materials and consumables from our top 10 vendors or be able to place purchase orders on favourable terms from such vendors. Further, if we are unable to retain such vendors we will be required to find a suitable replacement and failure to find such a replacement on commercially acceptable terms could adversely affect us. Our inability to maintain our relationship with our existing top 10 vendors and/or failure to procure raw materials and consumables from such vendors / suppliers or their replacements on commercially acceptable terms may have an adverse effect on our revenue, results of operation and financial condition. While we have not faced any material adverse effect on account of an inability to retain our top 10 vendors, we cannot assure you that such instances will not occur in future. Further, in the event of an increase in the cost of our raw materials and consumables, our margins and profitability will be adversely affected if, and to the extent, we are unable to pass on the price escalation in our raw materials and consumables to our customers.

8. ***Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.***

As a manufacturing entity, at all points of time, a certain portion of assets comprise inventory of finished products which is critical for our operations to mitigate disruptions in the supply of our finished products. Any failure on our part to effectively manage our inventory of finished products may have an adverse effect on our financial condition and may even lead to loss of materials and increase the costs of our operations. Further, set out below are certain details of our inventories as on March 31, 2025, March 31, 2024 and March 31, 2023.

Particulars	As on		
	March 31, 2025	March 31, 2024	March 31, 2023
Inventories *(₹ million)*	810.98	623.65	599.12
Inventories as a % of the total assets	27.40	23.80	29.48
Inventory days	42	34	25

The inventories we maintain are based on our forecast of demand and production capacities. If we overestimate the demand for our finished products, excess capacity, oversupply and the severely competitive environment in the steel industry may lead to wastage and consequently increase our operating costs or affect our revenue from operations affecting profitability. Significant increases in

market prices of essential raw materials, energy or transportation, as well as supply disruptions, could adversely affect our results of operations. Equally, if we underestimate the demand of our finished products, it may adversely affect our ability to manufacture the required quantity of finished products in a timely and cost-efficient manner which may lead to loss of business and / or the opportunity to cater to our customers which could adversely affect our business, results of operations and financial condition.

Additionally, if our inventory of finished products is not dispatched on time or if there is an unanticipated delay in the delivery of our finished products or if the finished products are not properly maintained or are damaged or destroyed, we could lose such inventory which could have an adverse impact on our production cycle, results of operation and financial condition. We cannot assure you that occurrence of such events in the future will not have an adverse effect on the revenue from operations and financial conditions of our Company. Further, there can be no assurance that our Company will be able to successfully mitigate the occurrence of such an event in the future.

9. ***We are heavily reliant on our alloy steel products, metal rolls and engineering castings business segment which cumulatively contributed more than 90.00% to our revenue from operations in each of Fiscal 2025, Fiscal 2024 and Fiscal 2023.***

We, currently, have a broad product portfolio comprising *inter alia* alloy steel products, metal rolls, engineering casting and forging ingots and forged shafts/blocks. Set out below is a break-up of our revenue from various product segments during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue (₹ million)	**% of revenue from operations**	**Revenue (₹ million)**	**% of revenue from operations**	**Revenue (₹ million)**	**% of revenue from operations**
Alloy Steel Products	2,582.09	50.84	2,277.54	51.06	2,786.16	60.19
Metal Rolls	1,247.67	24.56	1,131.91	25.37	1,031.61	22.28
Engineering Castings	901.06	17.74	796.75	17.86	649.85	14.04
Forging Ingots and Forged Shafts / Blocks	116.28	2.29	21.49	0.48	52.44	1.13
Job Work Income	132.57	2.61	128.88	2.89	52.54	1.14
Others*	99.45	1.96	104.27	2.34	56.68	1.22
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

***** '*Others' includes high sea sales, traded goods and sale of by-products.*

As can be noticed from the table above, while the aggregate revenue from our alloy steel products, metal rolls and engineering castings segments constitute a significant portion of our revenue from operations, revenues from alloy steel products, metal rolls and engineering castings account for more than 90% of our revenue from operations in each of Fiscal 2025, Fiscal 2024 and Fiscal 2023. If there is decrease in demand for any of alloy steel products, metal rolls and engineering castings segments including as a consequence of our customers or the industries in which such customers operate moving away from or preferring to use other products, our revenue from operations and financial condition could be adversely affected. Further, while we would seek to increase the manufacturing of products in our other business segments we cannot assure you that such orders will be of sufficient quantity or of sufficient value to offset the loss of business from alloy steel products.

10. ***Delays or defaults in customer payments and receivables may adversely impact our profits and cash flows.***

Our operations involve the practice of extending credit to our customers. We are exposed to counterparty credit risk in the usual course of our business dealings with our customers, or other entities who may delay or fail to make payments or perform their other contractual obligations.

Set out below are certain details pertaining to our outstanding trade receivables and doubtful debts, based on our Restated Financial Statements:

Particulars	As on and for the financial year ended March 31, 2025	As on and for the financial year ended March 31, 2024	As on and for the financial year ended March 31, 2023
Trade receivables (₹ million)	783.86	813.39	656.75
As a % of revenue from operations	15.43	18.23	14.19
Trade receivable days	56	67	52
Trade receivable turnover ratio * (times)	6.36	6.07	8.33
Allowance for expected credit loss and doubtful receivables (₹ million)	1.21	-	-
Bad and doubtful debt written off (₹ million)	0.27	-	0.66
Bad and doubtful debt written off as a % of revenue from operations	0.01	-	0.01

* *Revenue from operations divided by average trade receivables*

We cannot assure you that we will be able to accurately assess the creditworthiness of our customers in the future. Further, financial difficulty could cause our customers to delay payments, or request for modification of their payment terms. Any default in payment may also cause us to enter into litigation for which our Company may have to bear unwarranted cost. If such customers delay or default in making payments in the future, our profit margins and cash flows may be adversely affected. Set out below is our trade receivables ageing schedule as on March 31, 2025.

Particulars	Outstanding for following periods from the date of transaction* *(₹ million)*						Total *(₹ million)*
	Not due	Less than 6 months	6 months to 1 year	1 – 2 years	2 – 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	769.63	6.44	7.79	-	-	**783.86**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	0.60	0.61	-	**1.21**
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables	-	-	-	-	-	-	-

Particulars	Outstanding for following periods from the date of transaction* *(₹ million)*						Total *(₹ million)*
	Not due	Less than 6 months	6 months to 1 year	1 – 2 years	2 – 3 years	More than 3 years	
- which have significant increase in credit risk							
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**-**	**769.63**	**6.44**	**8.38^**	**0.61**	**-**	**785.07**

***** There are no specific due dates of payment specified in respect of trade receivables, as such the trade receivables ageing schedule is prepared on the basis of date of transaction.
^ Rounded-off to the next integer.

We cannot assure you of the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a general downturn in the economy.

11. ***Our business is dependent on our ability to provide products in accordance with agreed specifications within contracted timelines. Failure to adhere to such requirements could result in the loss of business and reputation.***

We cater to a large number of domestic and international customers across our different business segments. We do not enter into long term contracts with our customers (i.e. contracts for a duration of more than 1 year) and our business is based on purchase orders placed on us by our customers. The purchase orders stipulate *inter alia* the product specifications and the delivery schedule. Our adherence to the quality specifications and the delivery schedule is an integral part of our business reputation and the quality of our products is integral to our continued growth. Our customers evaluate and inspect our products on delivery and if the quality is found to be compromised, we would be required to replace such defective products at our cost or such cost would be debited from the amount payable by the customer. Further, the products must be delivered within the contractually agreed timelines and failure to adhere to the contractually agreed timelines could result in the customer cancelling the order or we could be required to provide a discount on the invoiced amount. In addition to the monetary loss that could be occasioned due to such instances, our business reputation and credibility as a viable supplier to our customer could be adversely affected which could result in a loss of the customer. While, our facilities have received various quality and standard certifications including ISO 9001-2015 for Quality Management, and we are compliant with the GHG Protocol C ISO 14064-1:2018 and ISO 14064-3:2019 certification with respect to greenhouse emission of our Manufacturing Facilities and PED 2014/68/EU, and we also possess a BIS license as per ISO 14650:2023 and IS 2062:2011. Moreover, we have 'Certificate for Approval of Well known steel maker' from the Central Boilers Board for manufacture of boiler quality ingots up to 40" x 46" and up to 15 MT/piece in carbon steel, alloy steel and stainless steel. Additionally, we have been awarded a ZED Certificate which denotes Zero Defect Zero Effect, and we have not lost a customer due to failure to adhere to quality specifications or contractually agreed timeliness during Fiscal 2025, Fiscal 2024 and Fiscal 2023, we cannot assure you that such instances will not occur in future and such instances could adversely affect our business, reputation and financial condition. For details of warranty and discounts see *'Risk Factors – Our contracts with our customers could include warranty provisions and penalty / damages which if invoked, could have an adverse effect on our business, result of operations and financial condition.'* on page 52.

12. ***Exchange rate fluctuations could adversely affect our operations and increase our cost of manufacturing operations.***

We export our finished products to various countries across the world. Since April 1, 2022, we have catered to customers across 5 continents and 15 countries viz., Afghanistan, Brazil, Finland, France, Germany, Ireland, Mexico, Nepal, Nigeria, South Africa, Tanzania, Togo, Uganda, UAE, and the USA. Further, we import some of our raw materials from countries such as Canada, China and the UAE. In

addition, certain plant and equipment such as computer numerical control (**CNC**) machines, lathe machines, scrap bundling and spectro machines are imported from overseas. The exchange rate between the Indian rupee and foreign currencies has fluctuated in recent years and will likely fluctuate in the future. Consequently, our Company is exposed to foreign currency risk and our results of operations may be affected as the rupee appreciates/ depreciates against foreign currencies. Set out below are details of our revenue from exports and our expenses denominated in foreign currency expenses during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount (₹ million)	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**
Revenue denominated in foreign currency (from exports)	183.84	3.62	199	4.46	119.55	2.58
Expenditure denominated in foreign currency	46.51	0.92	11.61	0.26	85.00	1.84
Unrealized foreign exchange (gain)/loss on foreign currency rate fluctuation	(1.16)	Negligible	1.19	Negligible	1.26	Negligible

Set out below are details of the Indian Rupee value of trade receivables and trade payables denominated in foreign currency as on March 31, 2025, March 31, 2024 and March 31, 2023, based on our Restated Financial Statements.

Particulars	**As at**					
	March 31, 2025		**March 31, 2024**		**March 31, 2023**	
	Foreign currency (*million*)	**₹ (*million*)**	**Foreign currency (*million*)**	**₹ (*million*)**	**Foreign currency (*million*)**	**₹ (*million*)**
Trade receivable						
-In USD	-	-	-	-	-	-
-In EURO	0.61	55.04	0.57	50.46	0.27	23.81
Trade Payables						
-In USD	0.15	13.07	0.37	31.06	0.09	7.93
In EURO	-	-	-	-	-	-
Net exposure						
-In USD	(0.15)	(13.07)	(0.37)	(31.06)	(0.09)	(7.93)
-In EURO	0.61	55.04	0.57	50.46	0.27	23.81

The Indian Rupee has depreciated 12.46% and 9.97%, against the USD and the Euro, respectively, between April 1, 2022 and March 31, 2025. Further, we may not be able to pass on any increase in costs due to foreign exchange volatility, to our customers. Certain markets in which we sell our products may

be subject to exchange control risks, which may result in either delayed recovery. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Further, we have not hedged our foreign currency exposure, and any adverse foreign exchange fluctuations could have an adverse impact on our financial condition.

13. ***We are heavily dependent on machinery and our operating processes for our operations. Any break-down of our machinery or our operating systems will have a significant impact on our business, financial results and growth prospects. Our success and financial condition will depend on our ability to maximise our manufacturing capacities.***

We undertake our manufacturing operations through our 2 manufacturing units (**Manufacturing Facilities**) in Mandi Gobindgarh, Punjab, which are equipped with capabilities to design, develop and manufacture our products. Our manufacturing operations require us to establish and maintain quality systems and processes which enable us to meet the rigorous and specific requirements of our customers within the stipulated timelines. We have developed in-house capabilities and proficiency in engineering, design, tooling, material development coupled with a range of finishing and assembly operations focussed on continuous improvements to our manufacturing and quality processes, to meet specific product requirements of our customers. Our Manufacturing Facilities have different machinery specific to the operation that it caters to and our Manufacturing Facilities include advanced machinery such as computer numerical control (**CNC**) Lathes, Heavy Duty All Geared Lathes, Boring Machines, CNC Boring Machine, Roll Grinding Machines, Vertical Turning Lathe (**VTL**), CNC VTL, Radial Drills, Plano Milling Machines and CNC Vertical Milling Machines.

Our manufacturing capacities are dependent on the efficient utilisation of our plant and machinery. Any significant malfunction or breakdown of our machinery, other operational equipment, information technology systems or any other part of manufacturing processes or systems, may entail repair and maintenance costs and cause delays in our operations. During Fiscal 2025, Fiscal 2024 and Fiscal 2023 there have been no instances of break-down of machinery which had a material impact on the business operations of our Company. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to carry out the necessary repair of the malfunctioning machinery, other operational equipment, information technology systems or any other part of manufacturing processes or systems, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financial condition. Further, to the extent that insurance does not cover the break-down of our machinery, such cost will be to our account. In addition, any malfunction or break-down of machinery which significantly impacts our manufacturing process could also have an adverse impact on our ability to meet our product delivery schedules which could also invite penalties / damages and affect our reputation.

In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. Further, any failure, slowdown or shutdown of machinery could adversely affect our capacity utilisation which could have an adverse effect on our results of operations and financial condition. For details of our capacity utilisation see the risk factor immediately below and *'Our Business'* on page 293.

14. ***Under-utilization of our currently operational production lines at our Manufacturing Facilities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects, and future financial performance.***

Our ability to maintain our profitability depends on our ability to optimise our process of production. In particular, the level of our capacity utilization can impact our operating results.

In the event we face disruptions at our Manufacturing Facilities including as a result of labour unrest, unexpected events or temporary schedule maintenance or inability to procure sufficient raw materials could result in operational inefficiencies which could impact our actual production and capacity utilisation and eventually our sales. Such disruption would have a material effect on our business and financial condition. While we have utilised 90.30%, 85.47% and 75.75%, of our installed capacities in Fiscal 2025, Fiscal 2024 and Fiscal 2023, there can be no assurance there will be no underutilisation of our capacities in future, which may have an adverse impact on our business, results of operations and

financial condition. For further details in relation to capacity utilisation, see section '*Our Business*' on page 293. The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs. While our capacity utilisation has been consistently high, we cannot assure you that we will be able to maintain such a high rate of capacity utilisation and under-utilisation of our existing or proposed capacities would result in lower revenues, which could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance. Set out below are the details of our installed capacity, actual production and capacity utilisation for the periods indicated below:

Financial Period	Capacity Details	SMS and Foundry Division	Rolling Mill Division	Total
Fiscal 2025	Installed capacity (in MT)	54,464	65,000	119,464
	Actual production (in MT)	50,526	57,353	107,879
	Capacity utilisation (%)	***92.77***	***88.24***	***90.30***
Fiscal 2024	Installed capacity (in MT)	35,589	65,000	100,589
	Actual production (in MT)	30,418	55,559	85,977
	Capacity utilisation (%)	***85.47***	***85.48***	***85.47***
Fiscal 2023	Installed capacity (in MT)	36,129	65,000	101,129
	Actual production (in MT)	33,141	43,461	76,602
	Capacity utilisation (%)	***91.73***	***66.86***	***75.75***

As certified by GATS India Ltd, Independent Chartered Engineer pursuant to a certificate dated September 26, 2025.

As seen in the table above, we have had in excess of 75.00% of aggregate capacity utilisation in each of Fiscal 2025, Fiscal 2024 and Fiscal 2023. As we grow our business, we will be required to continue to maintain high capacity utilization to ensure that we are able to generate sufficient revenues. Underutilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our proposed capacity expansion, could adversely impact our business, growth prospects and future financial performance.

15. ***Our current order book value is not necessarily indicative of future growth. Further, some of the orders that constitute our current order book could be cancelled, put in abeyance, delayed, or not paid for by our customers, which could adversely affect our financial condition.***

Our order book sets forth our expected revenues from our finished products (**Order Book**). As on August 31, 2025, we had an Order Book of ₹ 1,023.86 million. Set out below are details of our Order Book as on March 31, 2025, March 31, 2024 and March 31, 2023.

Particulars	As on		
	March 31, 2025	March 31, 2024	March 31, 2023
Order Book *(₹ million)*	930.03	855.45	704.07

Our Order Book value is neither indicative of future growth nor is it a guarantee of future revenues. Further, our Order Book value is based on purchase orders which are considered firm orders. However, these orders may be subject to vagaries including due to factors that may be beyond our control such as orders being cancelled or being put in abeyance, or the implementation schedules being delayed. In the event our customers renege on our purchase orders or payments terms, our anticipated revenues may not materialise and we may be required to seek recourse to dispute resolution mechanisms which could be time consuming and, or, expensive which could adversely affect our financial condition. While we expect our order book to translate into future revenues, we cannot assure you that such revenues will be realised on time or be profitable.

16. ***Our operations are subject to manufacturing risk and causing fatal injury to personnel including death and destruction of property and consequent imposition of civil and criminal penalties.***

Our Manufacturing Facilities have different machinery specific to the operation which include advanced machinery such as computer numerical control (**CNC**) Lathes, Heavy Duty All Geared Lathes, Boring Machines, CNC Boring Machine, Roll Grinding Machines, Vertical Turning Lathe (**VTL**), CNC VTL, Radial Drills, Plano Milling Machines and CNC Vertical Milling Machines, which are operated by our employees. Our manufacturing operations are subject to operating risks and potential industrial accidents which could lead to *inter alia* to fatal personal injury, property damage etc. which could lead to suspension of our operations, and the potential imposition of civil and criminal penalties. While there have not been any instances of any fatal injuries at our manufacturing facilities as part of our operations in the last 3 Fiscals, we cannot assure you that there will not be any such instance in the future. We could also face claims and litigation filed on behalf of persons alleging injury as a result of occupational exposure to hazards at our facility.

While each of our Company's manufacturing units meet the necessary safety standards and our Company maintains insurance policies to cover accidents including bodily injuries, disability and death, accidents including human fatalities may occur, and there can be no assurance that the precautions taken by us and our insurance cover will be completely effective or sufficient. Further, although we maintain third party liability insurance, the liability incurred may far exceed the insurance cover. Such accidents, irrespective of the monetary liability, may have an adverse impact on our business and reputation.

17. ***Our future success will depend on our ability to effectively implement our business and growth strategies. Our failure in effectively implementing our business and growth strategies may adversely affect our results of operations.***

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. Our growth strategies are (i) augmenting increasing our installed capacity in line with our expected business growth, (ii) optimising our product portfolio to cater more to higher value products and value added products (iii) broaden our end-user industries base and export market by capitalizing on growth in the metal rolls and engineering casting industry, and (iv) increasing our wallet share with our customers by introducing new products and grades. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our clients and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations. Further, our business is to a large extent driven by our internal systems and control mechanisms. Therefore, our continued growth is intrinsically linked to our being able to maintain adequate internal systems, processes and controls and our failure to maintain such systems could be an impediment to our growth.

In addition, we believe that our ability to implement our business and growth strategies will also depend on our ability to expand in global markets. Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

18. ***Our operations are dependent on our product development capabilities and if we are unable to continually develop new products and grades, our ability to grow, and, or, compete effectively, might be compromised, which would have an adverse impact on our business and financial condition.***

Our ability to deliver high precision customised engineered components supported by strong product development and we undertake various product development initiatives on a continuous basis and introducing new grades of products to our product portfolio is integral to our business. Further, continual product development enables us to evolve with the changing industry landscape. Our ability to deliver high quality products is enabled by our product development team which, as on August 31, 2025, comprised 13 members.

Further, we believe that continual product development is critical to our continued growth and business prospects. Our ongoing product development projects focus on creating prototypes and enhancing product quality, allowing us to meet specific customer requirements, minimize production costs, and maintain our competitive edge. If we are unable to continuously optimise our processes and develop new grades of products, our ability to grow, including by expanding our presence across different end-user industries, and, or, compete effectively, might be compromised, which would have an adverse impact on our business and financial condition.

19. ***There have been certain delays in payment of statutory dues in the past. Any delay in payment of statutory dues in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.***

We have certain instances of delays in the payment of tax deducted at source (**TDS**), tax collected at sources (**TCS**), and goods and service tax (**GST**) in the past by our Company. The amount pertaining to such delays are set out below:

Statutory Dues	Fiscal 2025			Fiscal 2024			Fiscal 2023		
	No of instances of delays	Total No. of days of delays	₹ *million*	No of instances of delays	Total No. of days of delays	₹ *million*	No of instances of delays	Total No. of days of delays	₹ *million*
TDS	15	2,010	0.24	-	-	-	-	-	-
TCS	4	1,562	0.11	-	-	-	-	-	-
GST	-	-	-	-	-	-	1	306	0.26

While the delay was on account of administrative oversight and our Company has subsequently made payment of all pending dues, we cannot assure you that there will not be any delays in the future. Further, while no actions have been initiated against our Company in relation to the abovementioned non-compliances or delays, we cannot assure you that any regulatory or statutory actions will not be initiated against us in relation to the said non-compliance. Any delay in payment of statutory dues in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.

20. ***Our Company has filed statutory forms with incorrect information in the past and there has been variation in the corporate records of our Company. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard.***

Our Company has filed statutory forms with incorrect information in the past. Set out below are the details of the forms filed with the Registrar of Companies with incorrect information:

Sr. No.	Name of the form	Details
1.	Form DIR 12 for appointment of Ayussh	In relation to the appointment of Ayussh Mitaal as Independent Director, our Shareholder in their resolution dated February 25, 2025, has inadvertently mentioned the period of directorship

Sr. No.	Name of the form	Details
	Mitaal as Independent Director	from 'February 25, 2025, to February 30, 2030' instead of 'February 25, 2025, to February 24, 2030'. However, our Board pursuant to its resolution dated September 8, 2025, has noted that the period of appointment be taken as from 'February 25, 2025, to February 24, 2030'.
2.	Return of allotment (Form 2) for allotment of 55,500 Equity Shares of face value of ₹ 10 each on September 12, 2011.	In relation to the allotment of 55,500 Equity Shares of face value of ₹ 10 each, our Company had filed the return of allotment (Form 2) along with the Board resolution dated September 12, 2011, and the list of allottees. The Board resolution dated September 12, 2011, and the list of allottees inadvertently mentions the names of allottees as 'Anil Gupta Ind.' and 'Shentam Gupta' instead of their correct names i.e., 'Anil Gupta' and 'Shantum Gupta'. However, the register of members of our Company mentions the correct names of the allottees i.e., 'Anil Gupta' and 'Shantum Gupta'.
3.	Form 32 for appointment of Dinesh Garg as Whole Time Director	In relation to the appointment of Dinesh Garg as a Whole Time Director of our Company during Fiscal 2010, our Company had inadvertently mentioned the category of director as 'Independent' in form 32 which was filed with the Registrar of Companies.

We cannot assure you that we will not be subject to any penalties imposed by the competent regulatory authority in connection with such discrepancies or untraceable records. While no disputes or regulatory action has arisen in connection with these filings until date, we cannot assure you that no such action will be initiated in the future

21. ***Our business operations require significant working capital. If we experience insufficient cash flows to meet required payments on our working capital requirements, there may be an adverse effect on the results of our operations.***

Our business operations are subject to significant working capital requirements to maintain optimum inventory levels of raw materials, work-in- progress and finished goods as well as to offer credit to our customers and fulfil our payment obligations towards our suppliers. Currently, we meet our working capital requirements through a mix of internal accruals and working capital facilities from lenders. Set out below is our net working capital requirements as at March 31, 2025, March 31, 2024, and March 31, 2023:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Net working capital* (₹ million)	1,453.68	1,196.40	798.62
Working capital days**	72	89	65

* *Current assets minus current liabilities*
** *Working Capital divided by revenue multiplied by 365 days*

As on August 31, 2025, we had sanctioned working capital facilities aggregating ₹ 816.02 million of which we had outstanding amount of ₹ 125.92 million.

While we believe that our internal accruals, working capital facilities availed from our lenders and others will be sufficient to address our working capital requirements, we cannot assure you that we will continue to generate sufficient internal accruals and, or, be able to raise adequate working capital from lenders to address our future needs. Further, while there have been no instances in the past wherein our Company was unable to meet its working capital requirement, consistent delays receiving payment from our customers or any inability to meet our present working capital requirements or our enhanced working capital requirements will have an adverse impact on our results of operation, business and financial condition. Any working capital shortage which affects our manufacturing efficiency could lead to delays in order fulfilment which could lead to customer dissatisfaction and have an adverse effect on our reputation. For further details pertaining to our present working capital position, see '*Financial Indebtedness*' on page 445.

In addition, certain Directors have also extended personal guarantees for some of the debt facilities availed by our Company. Any inability to continue to provide such guarantee or their inability to honour such guarantee or if the mortgage is no longer provided, it could result in an acceleration of such facilities and, or, adversely impact our ability to raise debt which could impact our cash flows, result in cash flow mismatch and adversely affect our financial condition.

22. ***Our contracts with our customers could include warranty provisions and penalty / damages which if invoked, could have an adverse effect on our business, result of operations and financial condition.***

While we do not enter into long term agreements with our customers and operate on the basis of purchase orders, our contracts with our customers i.e. the purchase orders, could include warranty provisions and provisions pertaining to penalty and damages, or warranty claims in the event of non-compliance with, or inadequacy in performance of our obligations pursuant to, such contracts. Further, in certain instances, while the penalty / damages / warranty claims may not be made, we could be required to replace the faulty products or provide a rebate on the invoiced amount. Accordingly, any failure at our end to deliver the products and adhering to the quality standards expected by our customers could have adverse monetary implications. Set out below are discounts and rebates and liquidated damages claims that were paid by our Company during the Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Quality rebates and liquidated damages charges *(₹ million)*	11.72	6.93	4.10

Additionally, we also provide performance bank guarantees to some of our customers which could be invoked if we are unable to, or do not, perform our obligations under our contracts with such customers. While no such performance bank guarantee has been invoked in the preceding 3 financial years, we cannot assure that such an occurrence will not occur in future and any such occurrence could adversely impact our results of operation, reputation and business.

23. ***We are dependent on our Promoters, Key Managerial Personnel, and members of Senior Management. Failure to retain or replace them will adversely affect our business.***

In order to successfully manage and expand our business, we are dependent on the experience and services of our Promoters, Key Managerial Personnel and our members of Senior Managerial and our ability to attract, train, motivate and retain skilled employees and other professionals. We are also backed by an experienced senior level management team whose varied background guides and provides direction to our business operations. We also have a team of qualified professionals, who have expertise and experience in our business. Our founder and Chairman, Parkash Chand Garg, has spearheaded our growth. Our Vice Chairman, Rajesh Garg, along with our Managing Director, Dinesh Garg, continues to play an integral part in envisioning the business opportunities in the industry and achieving our growth potential. They are ably supported by our other directors including Lovlish Garg, who has been on our Board of Directors since 2016 and is as a third generation entrepreneur. We also have a strong board comprising independent directors who have varied experience and have expertise in their respective fields. For details of the profiles of our Promoter, Key Managerial Personnel and members of Senior Management, see '*Our Promoter and Promoter Group*' and '*Our Management*' at page 363 and 340, respectively. Therefore, the continued involvement of our Promoter, Key Managerial Personnel and senior management in the leadership position of our Company is critical to our success and their non-availability or unwillingness to continue with our Company could have an adverse impact on our business and financial conditions.

Further, if we are unable to hire additional personnel or retain existing skilled personnel, in particular our Key Managerial Personnel and Senior Management persons with requisite skills, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully.

24. ***We do not have documentary evidence for the educational qualifications of 2 of our Promoters who are also the Directors of our Company, included in the 'Our Management' in this Draft Red Herring Prospectus.***

The degree certificates pertaining to the educational qualifications of our Promoters who are also the Directors of our Company, Parkash Chand Garg and Rajesh Garg are not traceable. While our Promoters have taken the requisite steps to obtain the relevant supporting documentation, including by making a written application to the aforementioned universities/ college, they have not been able to procure the same. Accordingly, our Company has placed reliance on affidavits furnished by these Promoters to us and the Book Running Lead Managers, and copies of the correspondences with the relevant university, to disclose the details of their educational qualifications in this Draft Red Herring Prospectus.

25. ***Our Company has in the past entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties and that such transactions will not have an adverse effect on our financial conditions and result of operations.***

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Promoter, Directors, Key Managerial Personnel and their relatives, on an arm's length basis and in compliance with applicable law. Such transactions could be for salaries and remuneration, rent expenses, loans given etc. A summary details of our transactions with related parties are set out below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Sum of all Related Party Transaction (*in ₹ million*)	490.31	984.07	388.52
Revenue from Operations (*in ₹ million*)	5,079.12	4,460.84	4,629.28
Sum of all Related Party Transaction as a % of Revenue from Operations	9.65	22.06	8.39

Set out below is the details of the balances outstanding as at the dates mentioned below.

Sr. No.	Particulars	Total (in ₹ million)		
		As at		
		March 31, 2025	March 31, 2024	March 31, 2024
1	**Closing Balance of Investment**	**-**	**31.88**	**29.49**
	Enterprises over which KMP is able to exercise significant influence or control			
	BLC Metals Private Limited	-	31.88	29.49
	Amount payable on the last day of the year			
2	**Loans**	**-**	**329.80**	**360.92**
	Enterprises over which KMP is able to exercise significant influence or control			
	Dinesh Garg HUF	-	0.54	3.88
	Lovlish Garg HUF	-	4.03	3.64
	Parkash Chand Garg HUF	-	1.01	15.28
	Rajesh Garg HUF	-	0.71	8.51
	Key Management Personnel (KMP)			

Sr. No.	Particulars	Total (in ₹ million)		
		As at		
		March 31, 2025	March 31, 2024	March 31, 2024
	Lovlish Garg	-	97.16	88.06
	Parkash Chand Garg	-	0.07	17.29
	Dinesh Garg	-	78.32	73.46
	Relatives of KMP			
	Bhanu Garg	-	50.00	62.67
	Bhuvnesh Garg	-	15.00	11.69
	Ivansh Garg	-	0.12	0.12
	Kanav Garg	-	23.08	25.28
	Pratibha Goyal	-	-	2.72
	Rajesh Garg	-	10.05	0.25
	Yogita Garg	-	15.96	5.22
	Aakanksha Garg	-	-	9.79
	Anju Garg	-	32.97	33.07
	Simran Garg	-	0.79	-
3	**Salary payable***	**0.22**	**0.18**	**0.23**
	Relatives of KMP			
	Rajesh Garg	-	0.00	0.01
	Aakanksha Garg	-	-	0.04
	Bhuvnesh Garg	-	0.05	0.07
	Kanav Garg	0.06	0.13	0.11
	Key Management Personnel (KMP)			
	Lovlish Garg	0.00	-	-
	Aakarsh Goyal	0.08	-	-
	Dinesh Garg	0.02	-	-
	Bhuvnesh Garg	0.06	-	-
4	**Managerial remuneration***	**-**	**0.02**	**0.43**
	Key Management Personnel (KMP)			
	Dinesh Garg	-	0.00	0.22
	Lovlish Garg	-	0.02	0.21
5	**Rent payable**	**-**	**-**	**0.47**
	Relatives of KMP			
	Yogita Garg	-	-	0.29
	Anju Garg	-	-	0.11
	Enterprises over which KMP is able to exercise significant influence or control			
	Rajesh Garg HUF	-	-	0.07

"0.00" represents figures below rounding-off norms / negligible amounts

Note-

(i) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end is unsecured.

(ii) Personal Guarantees of the Directors have been provided for Loan. (Refer Note No. 18)

** (iii) Long-term employee benefits for Key Managerial Personnel and Relatives of Key Managerial Personnel*

The personnel except Dinesh Garg and Lovlish Garg are covered by Company's gratuity policy and are eligible for compensated absences along with other employees of the Company. The proportionate amount of gratuity and

compensated absences cost pertaining to managerial remuneration and salary payable have not been included in aforementioned disclosures as these are not determined on individual basis

For summary of related party transactions, see '*Summary of Offer Documents - Summary of Related Party Transactions*' and '*Restated Financial Statements*' on pages 24 and 371, respectively.

While all such transactions have been conducted on an arm's length basis and in accordance with the Companies Act and other applicable laws and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our Company may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our Company and/or that it will not have an adverse effect on our business and results of operations.

26. ***We have not yet placed orders in relation to the capital expenditure for the purchase of equipment and machinery which are proposed to be funded out of the Net Proceeds. If there is any delay in placing the orders, or in the event the vendor is not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.***

We intend to utilize a portion of the Net Proceeds for funding capital expenditure requirements towards the purchase of equipment and machinery. While we have procured quotations from vendors in relation to the capital expenditure to be incurred, we have not entered into any definitive agreements with any of these vendors. For details, see '*Objects of the Offer*' on page 133. Such bids are valid for a certain period of time and may be subject to revisions, and other commercial factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such bid or that there will not be cost escalations. Further, the actual amount and timing of our future capital requirements may differ from our estimates due to *inter alia* unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, and technological changes. The quotations relied on for the estimation of cost of the Objects are valid for a certain period of time and may be subject to revisions and other commercial and technical factors. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendor is not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure the requisite equipment from the vendors from whom we have procured a bid, we cannot assure you that we may be able to identify alternate vendors to provide us with the materials which satisfy our requirements at acceptable prices. Our inability to procure the machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

27. ***We operate in a competitive environment. Competition from existing players and new entrants and consequent pricing pressures and our inability to compete effectively could have a material adverse effect on our operating margins, business growth and prospects, financial condition and results of operations and may lead to a lower market share.***

We operate in a competitive industry and we compete in a highly competitive business environment with a large number of entities across different segments of our product categories. Some of our key competitors include entities such as Jailaxmi Casting & Alloys Pvt. Ltd., Jayaswal Neco Industries Ltd, Vardhman Special Steel Ltd., Bharat Roll Industry Pvt. Ltd., Kennametal India Ltd, Peekay Steel Castings (P) Ltd., AIA Engineering Limited, Steelcast Limited, IFGL Refractories Ltd and RHI Magnesita India Ltd. For further details, see '*Our Business - Competition*' on page 325. Some of our competitors may have certain advantages, including greater financial, technical and, or, marketing resources, which could enhance their ability to finance growth, fund future expansion, and, or, operate in more diversified geographies. As a result, to remain competitive in the market we must, in addition to our growth strategies, continuously strive to reduce our costs and improve our operating efficiencies. If we fail to do so, it may have an adverse effect on our market share and results of operations. We cannot assure you that we can continue to effectively compete with such competitors in the future, retain our existing, or gain additional market share, and failure to compete effectively may have an adverse effect on our business, financial condition, and results of operations. Moreover, the competitive nature of the industry that we operate in may result in pricing pressure and decreased profit margins, which may have a material adverse effect on our revenue and profitability. Our competitors may significantly increase

their marketing expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers and which may in turn have an adverse effect on our business, financial condition, cash flows and results of operations.

28. ***We face certain risks and challenges that are specific to the industry in which we operate. If any or a combination of these risks and challenges materialise it could have a material adverse effect on our business, results of operations and financial condition.***

We are an integrated iron and steel manufacturing company specializing in customized engineering solutions, and have a broad product portfolio comprising inter alia alloy steel products, metal rolls, engineering casting and forging ingots and forged shafts/blocks. According to the CRISIL Report, the industry in which we operate faces certain risks and challenges which include:

Economic Slowdowns: The alloy steel industry is heavily dependent on economic growth and industrial activity. Any slowdown in the global or domestic economy, caused by factors such as inflation, geopolitical tensions, or financial crises, can reduce demand. Infrastructure projects and industrial investments are often delayed during downturns, directly affecting alloy steel consumption.

Raw Material Price Volatility: Alloy steel production relies on critical raw materials like nickel, chromium, and manganese. Fluctuations in the prices of these inputs due to supply chain disruptions or geopolitical factors can increase production costs, making alloy steel less competitive compared to alternatives.

Environmental Regulation: India's increasing focus on reducing carbon emissions and adhering to global sustainability standards could impose stricter regulations on the steel industry. Alloy steel production is energy-intensive, and compliance with emission norms may increase costs for manufacturers.

Technological Divide: The gap between the organized and unorganized sectors is significant, with organized players benefiting from automation, AI-driven processes, and better overall efficiency.

Energy-intensive process: The rolling process, particularly hot rolling, is highly energy-intensive. This is an ongoing challenge in India, where energy costs can be high, and the industry faces pressure to adopt more energy-efficient technologies.

Longer lead time resulting in lower operational leverage: Manufacturing rolls for rolling mills is a complex process involving casting, machining, heat treatment, and quality testing. Longer lead times may result from specialized materials, precision engineering, and stringent quality checks.

Consumable nature of product/frequent replacement: Metal rolls undergo continuous wear and tear during metal rolling operations, leading to frequent replacements. These rolls are subjected to high pressure, temperature, and mechanical stress, causing gradual surface degradation, cracking, and material fatigue. Factors such as the type of material being rolled, rolling speed, and cooling conditions further influence roll wear.

Labour and skill set: This industry requires a mix of skilled, semi-skilled as well as un-skilled workforce. The industry requires skilled workforce, particularly in areas like quality control, machine operation, foundry and metallurgy. Further, there is a shortage of skilled labor in the foundry sector in India. While the industry is growing, there is a need for more trained workers, especially with the increased use of automation and advanced technologies.

Competition from Low-Cost Markets: Foundries in India face competition from countries with lower labor costs and more advanced technologies, particularly China. This poses challenges in terms of pricing and maintaining market share.

For further details, see *'Industry Overview'* on page 179. If any or a combination of these risks and challenges materialise it could have a material adverse effect on our business, results of operations and financial condition.

29. ***We are completely reliant on third-party logistics service providers for transport of raw materials and finished products and in Fiscal 2025, Fiscal 2024 and Fiscal 2023, our freight and forwarding charges constituted 2.02%, 1.32%, and 1.13%, of our total expenses.***

We rely on third party transportation and logistics providers for transport of our raw materials and finished products. We procure raw materials from domestic and international suppliers, which are brought to our manufacturing facilities through third party logistics providers including shipping companies and overland transport companies. Similarly, our finished products are transported from our manufacturing units to distribution points by sea and overland transport. The logistic service providers are, therefore, integral to our Company's business operations. Set out in the table below are the freight and forwarding charges we incurred in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Freight charges *(in ₹ million)*	90.28	52.92	48.51
As a % of our total expenses	2.02	1.32	1.13

Our operations and profitability are dependent upon the availability of reliable logistic and support services in a timely and cost-efficient manner and any disruption in these services including transportation services or increase in their cost may affect our business, financial condition and results of operations. While we have over the years engaged the services of various logistics service providers for our business operations, we do not have, and we do not propose to enter into, contractual arrangements with such third-party logistics providers. While these third-party logistics service providers have generally, in the past, been reliable, we cannot assure you that they will continue to be available to us as required. If such third-party logistics service providers discontinue their services for a reasonable length of time and, if we are unable to obtain comparable services from other service providers in a timely manner, our business operations could be adversely impacted, and, at times, significantly. Moreover, we cannot assure you that we will not be liable for acts of negligence or other acts which may result in harm or injury to third parties.

The services provided by these providers may be suspended, in which case the supply of our products could be interrupted. Delayed or even lost deliveries may occur for various reasons beyond our control, including disruptions of transportation network and transportation infrastructure or deficiencies, poor handling by our logistics service providers, labour disputes or strikes, acts of war or terrorism, health epidemics, earthquakes and other natural disasters. In addition, poor handling of our products could also result in damage of such products, which may in turn lead to product exchanges, product liability, increased costs and damage to our reputation. Any of the circumstances would have a material and adverse effect on our business, financial condition and results of operations. Any such acts could result in serious liability claims (for which we may not be adequately insured) which may, in addition to resulting in pecuniary liability also entail personal liability, which could significantly adversely impact our business operations and financial condition. In addition, our Company also transports raw materials and products and from one unit to another unit of our Company's manufacturing facilities for which it relies on its own transport system as well as third-party transporters, for which our Company does not purchase any insurance. While there have been no instances of discontinuance of logistics services during the in the last 3 Fiscals or any disruption in delivery during the same period which had material adverse effect on our business, we cannot assure you that we will not face discontinuance of logistic services or disruptions in delivery in the future which could have a material adverse effect on our overall business, result of operations, cash flows and financial condition of our Company.

30. ***We have availed unsecured loans including from related parties which are unsecured and may be recalled at any time. If such loans are recalled, we may need to find adequate funding to replace such loans which may not be available on commercially acceptable terms or at all.***

We have periodically availed of unsecured loans from various entities including Promoters and members of Promoter Group, in the ordinary course of our business. As on August 31, 2025, we had total outstanding unsecured borrowing of ₹ 10.38 million. Set out in the table below are details of unsecured loans, based on our Restated Financial Statements as at and for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Name of the lender	As on March 31, 2025		As on March 31, 2024		As on March 31, 2023	
	Amount (in ₹ million)	As a % of our total outstanding borrowing	Amount (in ₹ million)	As a % of our total outstanding borrowing	Amount (in ₹ million)	As a % of our total outstanding borrowing
Related parties and shareholders	-	-	329.81	80.03	395.96	62.22
Non-related parties	-	-	-	-	-	-

Further, set out below are loans that we have availed of from, and repaid to, related parties in the Fiscal 2025, Fiscal 2024 and Fiscal 2023 based on our Restated Financial Statements.

(*in ₹ million*)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Loans taken from related parties	1.81	218.51	151.75
Loans repaid to related parties	331.73	251.35	139.65

These loans may be recalled at any time, and if such loans are recalled we may need to find adequate funding to replace such loans which may not be available on commercially acceptable terms or at all. While there have no instances in the past where any unsecured loans availed by our Company was recalled, there can be no assurance that such an event will not occur in the future. For further details, see *'Restated Financial Statements'* on page 371.

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31. ***Inability to obtain or protect our intellectual property rights may adversely affect our reputation and our business.***

As on the date of this Draft Red Herring Prospectus, we have obtained registration of the following trademarks in respect of 6 classes of goods and services, in respect of 6 classes of goods and services BEHARI LAL ROLLS in respect of 6 classes of goods and services and in respect of 7 classes of goods and services. Our Company has made an application for registration of trademark 'Behari Lal' in respect of class 6 and 7 of goods and services which is currently pending. In the absence of the registered wordmark, our ability to protect our intellectual property may be diluted to such an extent, and could adversely affect our reputation and business, which could in turn adversely affect our financial performance. We cannot assure you that the trademarks which are currently pending registration will be registered in our name, and that we will continue to enjoy uninterrupted use of the said trademark. If we are unable to obtain registration of the said trademark, we will not be able to use it. Any claim of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending, and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. While there have been no outstanding claims regarding intellectual property infringement by or against our Company, we cannot assure you that no such claim will be made in the future or the impact of such claim. Our inability to obtain or maintain our trademarks in our business, could adversely affect our reputation, goodwill, business prospects, and results of operations. For further details, see '*Our Business - Intellectual Property*' on page 323.

32. ***There are certain outstanding legal proceedings involving our Company, and Promoter, which, if determined against us, could have a material adverse effect on our business, cash flows, financial condition and results of operations.***

Our Company, and Promoters, are currently not involved in any legal proceedings. If our Company, Promoters, Directors, KMP and / or SM become involved in any legal proceedings in the future, then they may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian law or rulings

against us by the appellate courts or tribunals, we may face losses and have to make further provisions in our financial statements, which could increase our expenses and our liabilities. There can be no assurance that any litigation will not be brought against us in the future. Decisions in such proceedings adverse to our interests may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Further, delay in settlement of statutory dues, vendor payments and employee settlement cases may also have an adverse impact on us. A summary of outstanding litigation and the monetary amount involved in the cases against our Company and Directors are currently involved in is mentioned in below:

Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter in last 5 years	Material civil litigation	Aggregate amount involved (₹ in million)*
Company						
By our Company	Nil	NA	NA	NA	Nil	Nil
Against our Company	Nil	5	Nil	Nil	Nil	13.96
Promoters						
By our Promoter	Nil	NA	NA	NA	Nil	Nil
Against our Promoter	Nil	2	Nil	Nil	Nil	0.80
Directors (Other than Promoters)						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Key Managerial Personnels and members of Senior Management (other than Directors)						
By our Key Managerial Personnels and members of Senior Management	Nil	NA	Nil	NA	NA	NA
Against our Key Managerial Personnels and members of Senior Management	Nil	NA	Nil	NA	NA	NA

**To the extent quantifiable*

For further details on the outstanding litigation matters involving our Company, and its Promoter, see '*Outstanding Litigation and Other Material Developments*' at page 481.

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Company which may have a material impact on our Company.

In the event significant claims are determined against us and we are required to pay all or a portion of the disputed amounts, there could be a material adverse effect on our business and profitability. We cannot provide any assurance that these matters will be decided in our favour. Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation.

33. ***Failure to meet quality standards required by our customers may lead to cancellation of existing and future orders and have an adverse impact on our business operations.***

All our products and manufacturing processes are subject to stringent quality standards and specifications. We conduct quality inspections and testing at various stages of the production process, ensuring that our customers receive only the highest quality products. A team of engineers conducts inspections and testing at various stages using advanced metrological instruments, including the Proceq

Equotip Hardness tester for initial hardness checks and Non-Destructive Testing (NDT) for internal flaw detection. Any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications may lead to cancellation of orders or loss of customers, and the consequent loss of reputation and goodwill. We manufacture products that are essential for the end user industries comprising sectors such as steel, mining, railways, construction, power, paper, rubber, cement and sugar. We cater to a large number of prominent Indian and international customers who have exacting quality standards and adhering to such standards is a pre-requisite for us to be able to obtain repeat orders from our customers. Failure to meet quality and standards expected by our customer could have serious consequences including rejection of the product and loss of customer confidence which could have adverse effect on our reputation, business and our financial condition. While we have quality assurance and quality control teams, the quality of our raw material and finished products could be adversely affected due to reasons beyond the control of our Company such as mishandling of finished products or due to human error.

While there have been no instances of rejection of our products by customers for failure to adhere to their specifications, during Fiscal 2025, Fiscal 2024 and Fiscal 2023, there have been instances where we have had to give rebates on our invoices due to quality issues. For details of rebates, see '*Risk Factors - Our contracts with our customers could include warranty provisions and penalty / damages which if invoked, could have an adverse effect on our business, result of operations and financial condition"* on page 52. While these instances of rebates did not have a material adverse impact on our financial conditions and results of operations, we cannot assure you that any future occurrence of such instances will not have an adverse impact on our business operations. Further, if our products consistently fail to meet the expected and, or, specified quality standards our reputation could be adversely impacted and we could struggle to retain customers, which could have an adverse impact on our financial condition and result of operations.

34. ***Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business.***

In terms of applicable laws and our contracts, we require various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations (cumulatively, the **Approvals**). A majority of these Approvals are granted for a limited duration and must be periodically renewed. Further, while we have applied for some of these Approvals, we cannot assure you that such Approvals will be issued or granted to us in a timely manner, or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, then our business and operations may be adversely affected. For further details, see '*Government and Other Approvals*' at page 485.

Moreover, the Approvals are subject to numerous conditions and there can be no assurance that these Approvals will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Suspension or revocation of the Approvals by the relevant regulatory authority, either on account of non-compliance or otherwise, would impair our Company's operations and, consequently, have an adverse effect on our business, cash flows and financial condition. Our Company may also be liable to monetary penalties and concerned officers in default may be subject to imprisonment.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

35. ***Our Restated Financial Statements contain contingent liabilities aggregating ₹ 32.06 million for Fiscal 2025 and capital commitments aggregating ₹ 53.04 million for Fiscal 2025. If these contingent liabilities and capital commitments materialise, it may adversely affect our cash flows and results of operations.***

Set out below are the details of our contingent liabilities and capital commitments as at March 31, 2025, March 31, 2024, and March 31, 2023.

(*in ₹ million*)

Particulars	As at		
	March 31, 2025	March 31, 2024	March 31, 2023
Contingent Liabilities			
Liability on account of Bank Guarantee issued in favour of others	12.13	2.92	3.10
Others*	19.93	-	-
Total	**32.06**	**2.92**	**3.10**

**The Company was subjected to a GST audit under Section 65 of the CGST Act, 2017, for the period from April 2018 to March 2023. Pursuant to the audit, a total demand of ₹ 9.18 millions has been raised by the tax authorities towards tax, interest, and penalty. The Company has paid ₹ 2.20 millions and the balance amount of ₹ 6.98 millions has been contested and disclosed as a contingent liability, as the matter is under dispute and pending adjudication.*
**Demand of ₹12.12 million has been raised by the Income Tax Department for AY 2024-25 on account of TDS credit mismatch. The matter is pending reconciliation with the Assessing Officer and no provision has been made in the financial statements.*
**Demand of ₹0.17 million has been raised by TRACES towards alleged TDS/TCS defaults. The Company has preferred rectification against the said demand, which is currently under review by the relevant authorities*
**Show cause notice issued by the GST Department in connection with a search conducted at the premises of one of the Company's suppliers, proposing a demand of ₹0.66 million, which is under dispute.*

For further details, see '*Restated Financial Statements - Note no. 35 - Contingent liabilities and Commitments (to the extent not provided for)*' on page 418. If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may adversely impact our cash flows and results of operations. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

Particulars	As at		
	March 31, 2025 (₹ million)	March 31, 2024 (₹ million)	March 31, 2023 (₹ million)
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	53.04	8.00	-

If we are unable to meet our contractual obligations it may adversely impact our business, results of operations and financial condition.

36. ***Our manufacturing operations are power and fuel intensive. In Fiscal 2025, Fiscal 2024 and Fiscal 2023, our power and fuel expenses were 7.32%, 5.92% and 4.93% of our total expenses. Significant increase in power could adversely affect our results of operation and profitability.***

We operate 2 manufacturing units in Mandi Gobindgarh, Punjab, and our manufacturing operations include heavy and complex machinery. Our manufacturing operations require constant power supply and cost of power is a key expense item. Set out in the table below are expense for power and fuel during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses
Cost of power and fuel	326.98	7.32	236.82	5.92	211.76	4.93

Any shortage or non-availability of electricity, failure of the state electricity grid or a shortage of fuel or unavailability could delay our operations at the Manufacturing Facilities which may consequently adversely affect our delivery timelines to our customers. Any such delay may have an adverse effect on our business, results of operations and financial condition. In addition to the power supply, we already installed the rooftop solar panels of around 2 MW for long term sustainable power supply. Further, with the expected increase in our installed capacity and growth we expect that our power requirements will

increase. Therefore, we are proposing to set up additional roof-top solar panels of approximately 3MW and installation of a captive solar power plant of approximately 10 MW. We propose to utilize an amount of ₹ 78.00 million from the Net Proceeds towards the said solar roof panels. For further details, see '*Objects of the Offer* on page 133. While we anticipate that the solar panels along with our proposed solar plant should enable us to rationalise our power cost, we cannot assure you that we will be able to reduce our cost, and any significant increase in power could adversely affect our results of operations and profitability.

37. ***We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.***

As of August 31, 2025, our total sanctioned and outstanding indebtedness was ₹ 828.30 million and ₹ 135.94 million, respectively. The table below sets forth certain information on our total borrowings, debt to equity ratio, finance cost and debt service coverage ratio as at the dates indicated:

Particulars	**As of, and for the financial year ended,**		
	March 31, 2025	**March 31, 2024**	**March 31, 2023**
Total borrowings[(1)] (₹ million)	75.77	412.13	636.39
- Secured borrowing (₹ million)	75.77	25.39	185.46
- Unsecured borrowing (₹ million)	-	386.74	450.93
Debt to equity ratio[(2)] (in times)	0.03	0.21	0.53
Debt service coverage ratio[(3)]	9.13	1.08	0.60
Finance cost (₹ million)	13.58	23.09	33.83

Notes:

(1) Total borrowings include current and non-current borrowing.

(2) Debt to equity ratio is Total debt (long term and short term borrowings) divided by Shareholder's Equity.

(3) Debt service coverage ratio is calculated by dividing earnings available for debt service by interest payments and principal payments on borrowings.

The level of our indebtedness could have several important consequences, including but not limited to the following:

i. a significant portion of our cash flow may be used towards repayment of our existing debt, which will reduce the available cash flow to fund our capital expenditures and other general corporate requirements;

ii. defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets;

iii. a portion of our long term indebtedness is subject to floating rates of interest. Fluctuations in market interest rates may require us to pay higher rates of interest and will also affect the cost of our borrowings; and

iv. our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders require us to obtain their prior approval for certain actions, which, amongst other things, restrict our ability to undertake various actions including incur additional debt,

declare dividends, amend our constitutional documents, change the ownership or control and management of our business. While our Company has received necessary approval from its lenders to undertake this Offer, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future.

If we are unable to comply with the covenants and conditions set forth in our financing agreements, or if we fail to obtain the necessary consents from our lenders, this could result in an event of default under such agreements. This may give our lenders the right to enforce their security, accelerate repayment, or impose additional restrictions on our operations, which could adversely impact our business, financial condition, and cash flows. Additionally, failure to comply with these covenants may restrict our ability to raise further financing, which could limit our growth prospects and operational flexibility.

For further details regarding our indebtedness, see '*Financial Indebtedness*' on page 445.

38. ***Our employee benefits expense is one of the larger components of our fixed operating costs. An increase in employee benefits expense could reduce our profitability.***

Our pool of employees comprises various levels across departments including our top management, sales and marketing, production, and quality assurance. As of August 31, 2025, we had 774 permanent employees and 296 contact workers. The total number of permanent employees and contract workers engaged by us and our employee benefits expense were as follows:

Particulars	**As on March 31, 2025**		**As on March 31, 2024**		**As on March 31, 2023**	
Permanent employees	590		535		465	
Contact workers	229		-		-	
Particulars	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount (₹ million)	**% of total expenses**	**Amount (₹ million)**	**% of total expenses**	**Amount (₹ million)**	**% of total expenses**
Employee benefits expense*	326.14	7.30	187.29	4.68	165.74	3.86

** includes cost towards contract workers.*

Due to economic growth in the past and the increase in competition for skilled and semi-skilled employees in India, wages in India have been on the rise. Our Company may need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Further, a shortage in the employee pool or general inflationary pressures will also increase our costs towards employee benefits. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, amongst others, impact our growth prospects.

Further, our Company's average attrition rate of employees Fiscal 2025, Fiscal 2024 and Fiscal 2023 are set out below:

Particulars	**Fiscal 2025**	**Fiscal 2024**	**Fiscal 2023**
No of employees who left during the year / period (**A**)	351	207	173
No of employees at the beginning of the year / period + No of employees joined during the year / period (**B**)	941	742	638
Employee attrition ratio (**A/B**) (%)	37.30	27.90	27.12

Note: The table above only includes details of employees who completed the probationary period of 6 months.

While we consider our current employee relations to be good and have only 1 member of our KMP and senior management leave us, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to perform our obligations for the projects. While there have been no instances of disputes between our Company and employees in the last 3 financial years, any significant disputes could disrupt our operations, which may adversely affect our business and results of operation.

39. ***If we are unable to attract new customers or sell additional products to our existing customers, our revenue growth will be adversely affected.***

To continue to grow our business, it is important that we continue to acquire new customers. Our success in adding new customers depends on numerous factors, including our ability to offer various value-added products, execute our sales and marketing strategy, attract, effectively train, and retain new employees and workforce, expand into new geographies and verticals, effectively manage and forecast our customer count, and expand our use cases for our existing customers. Set out in the table below are the new customers during Fiscals 2025, 2024 and 2023.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
No. of unique customers (i.e. customers which our Company have not catered to previously)	138	157	211

Our customer retention may decline or fluctuate as a result of a number of factors, including our customers' satisfaction with our products, our prices, reduction in our customers' spending levels, availability of cheaper substitutes, etc. Our ability to increase revenue also depends in part on our ability to increase the number of value-added products to be offered to our existing and new customers.

40. ***We are dependent on our Manufacturing Facilities, which are situated in Mandi Gobindgarh, Punjab. We are subject to the risks associated with a single location manufacturing facility.***

Our manufacturing operations are based out of our Manufacturing Facility in Mandi Gobindgarh, Punjab. In addition to the general risks that are associated with manufacturing operations such as the breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair etc, we are also subject to the risk of a single location manufacturing facility. The concentration of our Manufacturing Facility and operations in a single location in Punjab subjects us to various risks, including vulnerability to change of policies, laws and regulations or the political, disruption or disturbance in surrounding areas and natural calamities, any of which, could adversely affect our business, financial condition, results of operations, cash flows and prospects The occurrence of any of these risks could hamper our operations by causing the production at our manufacturing unit(s) to slow down or shut down. Prolonged periods of slow down, or a shut down of production at our manufacturing units, any such instances could result in significant loss which could adversely affect our business, results of operations and financial conditions. While there have been no instances of prolonged slow down or shut down of our Manufacturing Facility in Fiscals 2025, 2024 and 2023, we cannot assure you that such instances will not occur in future or the extent of loss that will be occasioned due to such events. Further, while we maintain insurance in line with industry standards there can be no assurance that insurance will cover the entire loss, or that our claim will be fully accepted by the insurer. For details of our insurance coverage, see "*Risk Factors - An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability"* on page 70.

41. ***Our business benefits from certain subsidies towards electricity dues, GST refund etc. Withdrawal of or reduction in these subsidies could have an adverse impact on our financials.***

We are entitled to subsidies under the Invest Punjab Scheme by the Government of Punjab pursuant to which we receive benefits specifically subsidy to compensate us for certain electricity duty expenses on eligible power consumption, refund of GST paid under the Invest Punjab Scheme for eligible purchases and assistance for technology enhancement and operational efficiency initiatives.

In Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements, we received the following subsidy benefits.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	% of total expenses	Amount (₹ million)	% of total expenses	Amount (₹ million)	% of total expenses
Subsidy against PSPCL duties under the "Invest Punjab" Scheme	38.13	0.85	21.60	0.54	21.32	0.50
GST subsidy under the "Invest Punjab" Scheme	-	-	-	-	13.47	0.31
Grant from National Institute of Secondary Steel Technology	0.51	0.01	-	-	-	-
Total	**38.64**	**0.86**	**21.60**	**0.54**	**34.79**	**0.81**

Withdrawal of or reduction in these subsidies could have an adverse impact on our financials.

42. ***We have dues which are outstanding to our creditors. Any failure in payment of these dues may have a material adverse effect on our reputation, business and financial condition.***

As of March 31, 2025, our Company had 45 creditors and the aggregate amount due by us to these creditors was ₹ 244.18 million, as detailed below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	27	38.53
Other creditors	18	205.65
Total	**45**	**244.18**

** As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

In terms of our Materiality Policy, the list of creditors 'material' to whom the amount due is in excess of 5% of the total outstanding dues (that is, trade payables) of the Company as on March 31, 2025, is set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	2	160.80

Any failure to make payments to our creditors in a timely manner in accordance with the terms and conditions of the agreements or purchase orders with them, or at all, may lead to our creditors not providing us with materials in future or to disassociate their relationship with us. In addition, delay or failure in payment of dues to our creditors may also result in creditors initiating legal proceedings including insolvency proceedings against us. If any of the abovementioned consequences were to occur, it may have a material adverse effect on our reputation, business and financial condition.

43. ***Any downgrade of our credit rating facilities could have an impact on our ability to obtain externing debt funding and cost of debt funds which could have an adverse impact on our financial condition.***

Our current credit ratings have been assigned by CRISIL Ratings Limited who have reaffirmed a CRISIL BBB+/Stable rating on long term bank facilities and CRISIL A2 on our short term bank facilities. Set

out below are the credit ratings in the last 3 financial years (and there is no credit rating report in this financial year).

Facility / Instrument	Rating assigned on		
	November 22, 2024	August 29, 2023	June 14, 2022
Long term facility	CRISIL BBB+/Stable (Reaffirmed)	CRISIL BBB+/Stable (Reaffirmed)	CRISIL BBB+/Stable (Reaffirmed)
Short term facility	CRISIL A2 (Reaffirmed)	CRISIL A2 (Reaffirmed)	CRISIL A2 (Reaffirmed)

While our credit rating has remained consistent in the preceding 3 financial years, it may be downgraded in the future due to various factors, including factors which may be outside our control. Any future downgrade of our credit ratings may increase interest rates for future borrowings, impact on our ability to obtain externing debt funding and cost of debt funds which could have an adverse impact on our financial condition. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

44. ***We may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We will continue to incur significant expenditure in maintaining and growing our business operations and infrastructure. Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. We have historically funded our capital expenditure primarily through internal accruals, equity infusion and loans from banks and financial institutions. During the last 3 Fiscals, we have funded our growth strategies through a mix of internal accruals and term loans from banks. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. Set out below are details of the amount of capital expenditure incurred by us and our working capital requirements during the Fiscals 2025, 2024 and 2023.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash outflow on capital expenditure on property, plant and equipment and intangible assets (in ₹ million)	260.03	148.43	216.23
Net cash outflow on capital expenditure on property, plant and equipment and intangible assets as a % of total expenses (%)	5.82	3.71	5.04
Working capital requirements (i.e., sum of current assets as reduced by sum of current liabilities) (in ₹ million)	1,453.68	1,196.40	798.62
Net cash outflow due to capex to total cash flow used in investing activities (%)	43.46	27.54	99.79

If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, and financial institutions. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

45. ***Conflicts of interest may arise out of common pursuit between our Company, Group Company and entities forming part of our Promoter Group.***

There are common pursuits amongst our Company, and one of our Group Companies i.e., BLC Metals Private Limited by virtue of engagement in similar business activities. The objects of the memorandum of association of the aforementioned Group Company permits it to undertake business activities that are similar to our Company. Further, some of our Promoters and Directors may also have an interest in this entity. Whilst we cannot assure you that a conflict of interest will not arise if this entity decides to pursue such activities in future, our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they arise.

46. ***The majority of our directors including our independent directors do not have any experience of being a director in a listed company. This may require them to divert their attention from our business concerns to understand the detailed operations of a listed company.***

Currently, our Board comprises 10 directors out of which 5 are independent directors. Out of our independent directors, 4 directors namely Rajesh Kumar Sinha, Anil Dhawan, Anil Kumar Bansal and Meena Rohilla have not been independent directors on the board of a listed company. While the aforementioned independent directors possess the required qualifications and appropriate skills, experience and knowledge required to function as independent director of our Company, and are experienced in their respective fields, they may not have adequate experience acting in the capacity of a director in a listed company. Further, none of our non-independent directors have been the board of directors of a listed company. Accordingly, such directors will need to familiarise themselves with the regulatory framework within which listed companies in India operate and to the extent that they are unfamiliar with such framework their ability to discharge their functions as independent directors could be adversely affected. As a listed company, we will be subject to increased scrutiny of our affairs by shareholders, regulators and the public at large, and we will also be subject to increased corporate governance requirements. Accordingly, the lack of experience of the majority of our directors on the board of directors of a listed company may hamper their ability to effectively contribute to our Board.

47. ***The industry report prepared by CRISIL, which we have commissioned and paid for, identifies certain risks and challenges associated with the industry in which we operate. If these risks and challenges materialise, it could adversely affect our business, financial condition and prospects.***

The industry report prepared by CRISIL, which we have commissioned and paid for, identifies certain risks and challenges associated with the industry in which we operate. Some of the risks and challenges identified by CRISIL include the following.

Alloy steel industry

(i) Global or economic slowdown and, consequent delays in infrastructure projects and industrial investments, (ii) raw material price volatility of raw materials such as nickel, chromium, and manganese, due to supply chain disruptions or geopolitical factors can increase production costs, making alloy steel less competitive compared to alternatives, (iii) alloy steel production is energy-intensive, and compliance with emission norms may increase costs for manufacturers.

Metal rolls industry

(i) Energy-intensive process and the pressure to adopt more energy efficient technologies, (ii) longer lead times resulting in lower operational leverage, and (iii) the consumable nature of product/frequent replacement.

Foundry market

(i) Rising raw material costs, (ii) skilled labor shortage, (iii) stringent environmental regulations regarding emissions and waste management and (iv) competition from low cost markets.

If these risks and challenges materialise, it could adversely affect our business, financial condition and prospects.

48. ***Our Promoters, who are also the Selling Shareholders, have subscribed to, and purchased, Equity Shares, at a price which could be below the Offer Price. The average cost of acquisition of Equity Shares by our Promoters could also be lower than the Offer Price. The Equity Shares issued by our Company during the last 1 year could also be lower than the Offer Price.***

We have issued Equity Shares of face value of ₹ 10 each to our Promoters, who are part of the Selling Shareholders, and our Promoters have acquired Equity Shares of face value of ₹ 10 each by way of transfers, at a price which could be below the Offer Price. For more details see '*Capital Structure*' on page 103.

The average cost of acquisition of Equity Shares of face value of ₹ 10 each by our Promoters is set out below:

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each acquired	Average Cost of Acquisition per Equity Share (in ₹)
Promoter Selling Shareholders			
1.	Lovlish Garg	5,532,125	2.72
2.	Rajesh Garg	3,897,115	1.12

The aforementioned average cost of acquisition of Equity Shares of face value of ₹ 10 each by our Promoter may be lower than the Offer Price. Further, we have issued Equity Shares of face value of ₹ 10 each in the last 12 months which may be at a price lower than the Offer Price. The price at which our Company has issued the Equity Shares of face value of ₹ 10 each in the past is not indicative of the price at which they will be issued or traded.

49. ***Our operations are reliant on human resources. Any disruption in steady and regular supply of workforce for our operations could have an adverse impact on our business operations and financial conditions.***

We operate in a human resource intensive industry and we are reliant on availability of steady and regular supply of human resources for our business operations. In addition to our permanent employees, as on August 31, 2025, our Company had 296 employees on contract basis who we source from independent contractors. Any disruption in the availability of workforce (including due to strikes or work stoppage or labour disputes) could have an adverse impact on our business operations and financial conditions. While there have been no such instances of disruption in availability of workforce or strikes or labour disputes, we cannot assure you that such an event will not occur in the future. Further, there cannot be any assurance that occurrence of such an event will not have an adverse impact on our business operations and financial conditions. We do not have any registered labour unions at our Manufacturing Facilities and there have been no disruptions to our manufacturing operations during Fiscal 2025, Fiscal 2024 or Fiscal 2023 on account of labour-related disputes including strikes, lockouts, or collective bargaining arrangements.

We are also subject to the laws and regulations in India governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. For instance, India has enacted (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. Furthermore, any upward revision of wages that may be required by the state government to be paid to such contract labourers would increase our costs and may adversely affect the business and results of our operations. For instance, recently the Labour, Skill Development and Employment Department, Government of Gujarat, has pursuant to a notification dated March 27, 2023 under the Minimum Wages act, 1948, increased the basic wage of workers by approximately 24% for skilled, semi-skilled and unskilled labour under the Minimum Wages act, 1948. Any similar upward revisions could have an adverse impact on our costs and profitability in the future.

50. ***Our Promoters and Promoter Group will, even after the completion of the Offer, continue to be our largest Shareholders and can influence the outcome of resolutions, which may potentially involve conflict of interest with the other Shareholders.***

As on date of this Draft Red Herring Prospectus, our Promoters and members of the Promoter Group hold an aggregate of 34,553,485 Equity Shares, constituting 88.51% of the Equity Share capital of our Company and they will continue to hold [●] % of the Equity Share capital after the completion of this Offer. Accordingly, our Promoters and members of the Promoter Group, collectively, will have the ability to significantly influence our corporate decision-making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at the Board and at the Shareholders' meetings, including the issue of Equity Shares of face value of ₹ 10 each and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements and any amendment to the constitutional documents. Our Company cannot assure you that the interest of the Promoters and members of the Promoter Group in any such scenario will not conflict with the interest of other Shareholders or with our Company's interests. Any such conflict may adversely affect our Company's ability to execute its business strategy or to operate our Company's business effectively or in the best interests of the other Shareholders of our Company.

51. ***Health, safety and environmental matters, including compliance with environmental laws and remediation of contamination, could result in substantially increased capital requirements and operating costs.***

Our Company's business and operations are subject to laws, regulations and contractual commitments relating to health, safety and the environment and our Company's operations generate large amounts of pollutants and waste, some of which are hazardous. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid and hazardous waste material handling and disposal, worker health and safety, and the investigation and remediation of contamination or other environmental restoration. The risks of substantial costs and liabilities related to these laws and regulations are an inherent part of our Company's business, and future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs. Other developments, such as increased requirements of environmental, health and safety laws and regulations, increasingly strict enforcement thereof by governmental authorities, and claims for damages to property or injury to persons resulting from the environmental, health or safety impacts our Company's operations or past contamination, could prevent or restrict some of our Company's operations, require the expenditure of significant funds to bring our Company into compliance, involve the imposition of clean up requirements and give rise to civil or criminal liability. While our Company has taken the necessary approvals under the applicable laws and there have been no instances of any action, or private claim against our Company in the last 3 Fiscals, we cannot assure you that no such action or claim will not be initiated against our Company in the future. If such action or claim were initiated and if we are found to have violated applicable laws, we may be subject to *inter alia* penalties, shut down of our manufacturing units etc, which may have a material adverse effect on our Company's business, financial condition or results of operations. In the event that production at one of our Company's manufacturing units is partially or wholly suspended or shut down, pursuant to any action or claim, our Company's business could suffer significantly, and its results of operations and financial condition could be materially adversely affected. For details in relation to the applicable laws and material approvals taken by our Company in relation to its business, see '*Key Regulations and Policies*' and '*Government and Other Approvals*' beginning at pages 327 and 485, respectively.

52. ***Inability to maintain adequate internal controls may affect our ability to effectively manage our operations which may adversely affect our business operations.***

As we continue to expand, our success depends on our ability to effectively utilise our resources and maintain internal controls. We may need to modify and improve our financial and management control processes, and other internal controls and compliance procedures to meet our evolving business needs. If we are unable to improve our controls, systems and procedures, they may become ineffective and adversely affect our ability to manage our operations which may adversely affect our business operations. Our efforts in improving our internal control systems may not result in eliminating all risks. If we are not successful in discovering and eliminating weaknesses in our internal controls, our ability to manage our business effectively may materially and adversely be affected.

53. ***Our Promoters and some of our Directors and Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters, some of our Directors and Key Managerial Personnel and Senior Management may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, our Promoters and certain Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares of face value of ₹ 10 each held by them or their relatives (or Promoter Group) as well as to the extent of bonus or dividend on such Equity Shares. Our Company cannot assure you that our Promoters, Directors and our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, please refer to the chapters '*Our Management*' and '*Our Promoters and Promoter Group*' on pages 340 and 363, respectively.

54. ***We have availed on lease, the use of certain properties from which we operate some of our business operations. There can be no assurance that the lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on the same or similar commercial terms.***

Some of the properties through which we carry out our business operations have been leased by us. For further details of our premises, see '*Our Business -Property*' on page 324. We cannot assure you that we will have the right to occupy these premises in the future, or that we will be able to continue with the uninterrupted use of these premises. Failure to adhere to the conditions of the lease could require us to relocate our operations, which may impair our operations and adversely affect our financial condition. Further, identification of a new location to house our operations and relocating our business to new premises may place demands on our senior management and other resources and also involve us incurring significant expenditure. Any inability on our part to timely identify a suitable location for a relocated office could have an adverse impact on our business.

55. ***An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our Company's operations are subject to various risks and hazards / accidents such as fire, earthquakes, flood and other force majeure events, other hazards that may cause destruction of property, plant and machinery and inventory, which may adversely affect our revenue generation and profitability. While our Company believes that it has taken adequate safeguards to protect our Company's assets from various risks inherent in our Company's business, including by purchasing and maintaining relevant insurance cover, it is possible that our Company's insurance cover may not provide adequate coverage in certain circumstances.

While our Company believes that we maintain sufficient insurance cover by virtue of maintaining insurance policies, certain types of losses may be either uninsurable, not economically viable to insure or not offered for insurance, such as losses due to acts of terrorism or war. If any uninsured loss occurs, our Company could lose our investment in, as well as anticipated profits and cash flows from the asset. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. In the immediately preceding 3 Fiscals, we have made an aggregate insurance claim for ₹ 0.53 million in Fiscal 2023, and against which we have received a sum of ₹ 0.31 million. Further, even in the case of an insured risk occurring there can be no assurance that our Company will be successful in claiming insurance in part or full, or that the insurance purchased by us will be sufficient to cover the loss occasioned by the risk. Any loss that is not covered by insurance, or for which our Company is unable to successfully claim insurance, or which is in excess of the insurance cover could, in addition to damaging our Company's reputation, have an adverse effect on our Company's business, cash flows, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our Company's insurance premium.

In addition, our Company's insurance coverage expires from time to time. Our Company will apply for the renewal of our insurance coverage in the normal course of its business, but our Company cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that our Company suffer loss or damage for which it did not obtain or maintain insurance, and which is not covered by insurance or exceeds our Company's insurance coverage or where its insurance claims are rejected, the loss would have to be borne by our Company and its results of operations, cash flows and financial condition may be adversely affected.

Details of our total insurance coverage *vis-à-vis* our net assets as at March 31, 2025, March 31, 2024, and March 31, 2023 is set out below.

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Insurance coverage* (**A**)	883.16	1,130.49	472.65
Net assets** as per Restated Financial Statements (**B**)	802.86	657.89	602.00
Insurance coverage times the net assets (**A/B**)	1.10	1.72	0.79

** Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipment, vehicles, erection and all risk insurance.*
*** Net assets = Property, Plant and Equipment (net block) +Capital Work in Progress +Intangibles (net block) + Investment Property (Buildings net block)*

56. ***If we are subject to any frauds, theft, or embezzlement by our employees, vendors, suppliers, it could adversely affect our reputation, results of operations, financial condition and cash flows.***

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employees, vendors, suppliers' fraud, theft, or embezzlement. We have set up security measures such as deployment of security guards, CCTV, and access card/fingerprint scan for access. While there has not been any instance of fraud, misconduct, misrepresentation by our employees in the last 3 Fiscals, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition, and cash flows.

57. ***We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue and an Offer for Sale. The Offer for Sale comprises [●]% of the total Offer size. The Selling Shareholders will be entitled to the Net Proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer Expenses shared by the Selling Shareholders, and we will not receive any proceeds from the Offer for Sale.

58. ***Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law.***

The funding requirements and the deployment of the proceeds from the Fresh Issue are based on the current business plan, current conditions, internal management estimates and strategy of our Company, which may be subject to changes. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Thus, the use of the Net Proceeds for the purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

Further, in accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not 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 or operations. However, we will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Additionally, our Promoter would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by applicable SEBI regulations. Additionally, the requirement on the Promoter to provide an exit opportunity to such dissenting shareholders may deter the Promoter from agreeing to

the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Fresh Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, 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 unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

Thus, we may not be able to utilise the proceeds from the Fresh Issue in this Offer in the manner set out in this Draft Red Herring Prospectus in a timely manner or at all. As a consequence of any increased expenditure, the actual deployment of funds may be higher than estimated. There is no assurance that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.

59. ***Our Company has not paid any dividends on Equity Shares in the last 3 Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future.***

Our Company has not paid dividends on Equity Shares of face value of ₹ 10 each during the last 3 Fiscals and the current Fiscal. Further, our Company's ability to pay dividends in the future will depend upon a variety of internal and external parameters, including (i) profits earned during the financial year; (ii) retained earnings; (iii) earnings outlook; (iv) present and future capital expenditure plans / working capital requirements of the our Company; (v) any other relevant factors and material events as may be deemed fit by our Board; (vi) dividend pay-out ratios of companies in the same industry; (vii) significant changes in macro-economic environment materially affecting the businesses in which our Company is engaged in the geographies in which our Company operates; (viii) capital commitment; and (ix) capital markets changes. In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes which significantly affects the business, taxation and restrictive covenants under our future loan or financing documents or arrangements, our Company may enter into finance our fund requirements for our business activities from time to time, applicable Indian legal restrictions, our Company's Articles of Association, and other factors considered relevant by the Board of Directors of our Company. Further, our Promoter and Promoter Group will continue to hold a significant portion of our post-Offer paid-up Equity Share capital and may have a significant ability to control the payment and/or the rate of dividends. Therefore, our Company cannot assure you that it will be able to declare dividends, of any particular amount or with any frequency in the future. For further details, see the '*Dividend Policy*' at page 370.

60. ***Failure to keep our technical knowledge confidential could erode our competitive advantage.***

Our technical knowledge has helped us in developing various grades of products. Such technical knowledge has been built up through our own experiences and through our constant efforts at product development. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Further, our employees engaged in product development and those who are privy to technical knowledge may leave us and join our various competitors. Although we have non-disclosure provisions included in the appointment letters of employees, there can be no assurance that we will be able to successfully enforce such provisions. Further, even if we are able to enforce such non-disclosure provisions, the confidential information in respect of our solution offerings or business that becomes available to third parties or to the general public, could erode any competitive advantage we may have over our peers. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects. While we are not aware of any instances of unauthorised dissemination of confidential information, in Fiscal 2025, Fiscal 2024 and Fiscal 2023, and there has been no adverse impact in this regard, we cannot assure you that there will be no such instances going forward. If there is any unauthorised dissemination of confidential information, it could have adverse effect on our business, results of operations and financial condition, and such dissemination could also adversely affect our reputation and goodwill.

Further, in our ordinary course of business we possess confidential information such as technical specifications and products in relation to our customers and are contractually bound to protect such information from misappropriation. If such confidential information pertaining to our customers is leaked or misappropriated our customers could, in addition to terminating their relationship with our Company, also have significant claims, including in the case of international customers in foreign jurisdictions, against us. If we are held to be liable for the misappropriation of confidential information or the intellectual property of our customers against us, it could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause reputational harm and may cause us to incur substantial cost.

61. ***The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.***

Our funding requirements and proposed deployment of Net Proceeds as set out in the section '*Objects of the Offer*' at page 133 are based on management estimates and have not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macro-economic and other changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilization of proceeds from the Offer may also change. This may also include rescheduling the proposed utilization of the Offer Proceeds at the discretion of our management without obtaining Shareholders' approval. We may make necessary changes to utilisation of the Offer Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilization of the Offer Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and, or, from our internal accruals. Further, any such revision in the estimates may require us to revise our projected expenditure which may have a bearing on our profitability. In addition to this, the estimates of the management may be inaccurate, and we may require additional funds to implement the purposes of the Offer.

62. ***This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

This Draft Red Herring Prospectus includes industry related information that is derived from the CRISIL Report, prepared by CRISIL Limited, a research house, pursuant to an engagement with our Company through an engagement letter dated December 23, 2024. CRISIL has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (**Information**), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CRISIL Report also highlights certain industry and market data, which may be subject to estimates and, or, assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and, or, assumptions may change based on various factors. We cannot assure you that CRISIL's estimates and, or, assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Additionally, some of the data and information in the CRISIL Report are also based on discussions / conversations with industry sources. Industry sources and publications are also prepared based on information as of specific dates and may not be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, the CRISIL Report is not a recommendation to invest or disinvest in our Company and, consequently, any reliance on such information for making an investment decision in the Offer is subject to inherent risks. Further, CRISIL has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CRISIL Report.

63. ***The requirements of being a publicly listed company may strain our Company's resources.***

Our Company is not a publicly listed company and has not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, our Company will incur significant legal, accounting, corporate

governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If our Company experiences any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our Company's results of operations as promptly as other listed companies. Further, as a publicly listed company, our Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our Company's management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

64. ***Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Earnings before interest, tax, depreciation and amortization expenses (EBITDA), EBITDA margin, return on capital employed (ROCE), return on equity (ROE), inventory turnover ratio and debt to equity, have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, ROCE, ROE, inventory turnover ratio and debt to equity, have been included in this Draft Red Herring Prospectus. These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. These non-GAAP financial measures and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

External Risk Factors

65. ***The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares of face value of ₹ 10 each will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares of face value of ₹ 10 each may bear no relationship to the market price of the Equity Shares of face value of ₹ 10 each after the Offer. The market price of the Equity Shares of face value of ₹ 10 each after the Offer can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been

unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

66. ***Any further issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares of face value of ₹ 10 each including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares of face value of ₹ 10 each by the Promoter may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares of face value of ₹ 10 each or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares of face value of ₹ 10 each or that our Shareholders will not dispose of, pledge, or encumber their Equity Shares of face value of ₹ 10 each in the future.

67. ***Sale of Equity Shares by our Promoter in future may adversely affect the market price of the Equity Shares.***

After the completion of the Offer, our Promoter will still own a significant percentage of our issued Equity Shares. Sale of a large number of the Equity Shares of face value of ₹ 10 each by our Promoter could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoter will not dispose of, pledge, or encumber their Equity Shares of face value of ₹ 10 each in the future.

68. ***There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time***.

Following the Offer, our listed Equity Shares of face value of ₹ 10 each will be subject to a daily 'circuit breaker' imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian Stock Exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares of face value of ₹ 10 each beyond the circuit breaker limit set by the Stock Exchanges. As a result of this circuit breaker, we cannot give you any assurance regarding the ability of shareholders to sell Equity Shares of face value of ₹ 10 each or the price at which shareholders may be able to sell their Equity Shares.

69. ***The determination of the Price Band and Offer Price is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below the respective issue price.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares of face value of ₹ 10 each will be determined by our Company in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under '*Basis for the Offer Price*' on 154 and may not be indicative of the market price for the Equity Shares of face value of ₹ 10 each after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see '*Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs*' on page 501. The factors that could affect the market price of the Equity Shares of face value of ₹ 10 each include, among others, broad market trends, our

financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares of face value of ₹ 10 each or provide any assurance regarding the price at which the Equity Shares of face value of ₹ 10 each will be traded after listing.

70. ***There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all.***

There is no guarantee that our Equity Shares of face value of ₹ 10 each will be listed on the BSE and the NSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares of face value of ₹ 10 each will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares of face value of ₹ 10 each pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares of face value of ₹ 10 each are required to be listed on the BSE and the NSE within such time as mandated under UPI Circulars, and SEBI ICDR Regulations subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares of face value of ₹ 10 each will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

71. ***You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.***

The Equity Shares of face value of ₹ 10 each are proposed to be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares of face value of ₹ 10 each can be listed and commence trading, including the crediting of Equity Shares of face value of ₹ 10 each in the investor's demat accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing and trading of our Equity Shares of face value of ₹ 10 each will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares of face value of ₹ 10 each pursuant to this Offer. The Allotment of Equity Shares of face value of ₹ 10 each in the Offer and the credit of Equity Shares of face value of ₹ 10 each to the investor's demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares of face value of ₹ 10 each would restrict investors' ability to dispose of their Equity Shares. We cannot assure you that the Equity Shares of face value of ₹ 10 each will be credited to investor's demat accounts, or that trading in the Equity Shares of face value of ₹ 10 each will commence, within the prescribed time periods or at all, which could restrict your ability to dispose of the Equity Shares.

72. ***A slowdown in economic growth in India could adversely affect our business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or the manufacturing sector, particularly in the industry in which our Company operates, or any future volatility in global process could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

73. ***Adverse geopolitical conditions such as an increased tension between India and its neighbouring countries, Russia-Ukraine conflict, tariff hike for exports to the USA and European Countries could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, resulting in any military conflict in the region could adversely affect our business and operations. Further, hostilities or wars (limited or otherwise) such as the Russia-Ukraine conflict or the Israel-Iran conflict could have an adverse impact on our business and operations. Such events may lead to countries including the Government of India imposing restrictions on the import or export of our products, among others. We could also be affected by the introduction of or increase in the levy of import tariffs in India, or the countries to which we export our products such as the USA, or changes in trade agreements between countries. Any such measure which affects our exports or duties including penal duties / sanctions imposed on Indian entities by the USA or other countries may adversely affect our results of operations and financial condition.

74. ***Political, economic, taxation or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

While we are incorporated in India, we cater to a number of overseas customers through India. As a result, we are highly dependent on prevailing economic conditions in India and other economies, and our results of operations and cash flows are significantly affected by factors influencing the Indian and global economies. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

a. high rates of inflation in India and in countries where our customers are based could increase our costs without proportionately increasing our revenue, and as such decrease our operating margins;

b. any slowdown in economic growth or financial instability in India and in countries where our customers are based;

c. any downturn in the end-users industries in which our customers operate;

d. any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;

e. prevailing income conditions among customers and corporates;

f. volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;

g. changes in existing laws and regulations including in taxation laws in India and in countries where our customers are based;

h. political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries;

i. occurrence of natural or man-made disasters;

j. any downgrading of debt rating of India by a domestic or international rating agency; and

k. instability in financial markets.

75. ***Governmental actions and changes in policy could adversely affect our business.***

The Government of India and the State Governments in India have broad powers to affect the Indian economy and our business in numerous ways. Additionally, we operate our business in several countries and any change in policies in such countries may affect our business. Any change in the existing policies of Government of India and, or, State Government, or foreign government policies, or new policies affecting the economy of India or any foreign country, where we operate our business, could adversely affect our business operations. Moreover, we also cannot assure you that the Central Government or State

Governments in India, or foreign government in countries where we operate will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. We cannot predict the terms of any new policy, and we cannot assure you that such policy will not be onerous. Such new policy may also adversely affect our business, cash flows, financial condition and prospects.

76. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act, 2002, of India, as amended (**Competition Act**) regulates practices having an appreciable adverse effect on competition (**AAEC**) in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of guests in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (CCI). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are currently not a party to an outstanding proceeding, nor have we received any notice in relation to non-compliance with the Competition Act and the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

77. ***A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our Company's borrowing costs and our Company's access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating by disparate global rating agencies varies over time and any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our Company's ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are beyond our control. This could have an adverse effect on our Company's ability to fund our Company's growth on favourable terms or at all, and consequently adversely affect our Company's business and financial performance and the price of our Equity Shares.

78. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any

deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

79. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Financial Statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus***

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the financial data, prepared and presented in accordance with Ind AS for the Fiscal 2025, Fiscal 2024 and Fiscal 2023included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or any other accounting principles. U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Prospectus should accordingly be limited. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS.

80. ***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.

81. ***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 is generally taxable in India. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of equity shares (unless exempted) and such STT is collected by an Indian stock exchange on which equity shares are sold. You may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares of face value of ₹ 10 each held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares of face value of ₹ 10 each are sold. Further, any capital gain realized on the sale of our Equity Shares of face value of ₹ 10 each held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

The Finance Act, 2020 had stipulated that the sale, transfer and issue of certain securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2020 also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified under the Finance Act, 2020 at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company and such dividends were generally exempt from tax in the hands of the shareholders. However, the government of

India has amended the IT Act to abolish the DDT regime. Under the extant provisions, any dividend distributed by a domestic company is subject to tax in the hands of the concerned shareholder at the applicable rates. Additionally, the company distributing dividends is required to withhold tax on such payments at the applicable rate. However, non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions.

Further, the Government of India has announced the union budget for Fiscal 2025, pursuant to which the Finance Act, 2025, came into force on April 1, 2025 which has introduced various amendments to the IT Act. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

82. ***Investors may have difficulty enforcing foreign judgments against us or our management.***

We are incorporated under the laws of India and all of our Directors, Key Managerial Personnel and Senior Management reside in India. Further, almost all our assets, and the assets of our Directors and officers, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Code of Civil Procedure, 1908, of India (Civil Code). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgement. As a result, you may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

83. ***Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscals 2008 and 2009 adversely affected market prices in the global securities markets, including India. The collapse of the Silicon Valley Bank during Fiscal 2024 also caused economic downturn. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Further, negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of the Equity Shares.

84. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under 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 valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. For further details, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 538. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of 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 will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

85. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition, and results of operations.

86. ***If security or industry analysts do not publish research or publish unfavourable or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.***

The trading market for the Equity Shares of face value of ₹ 10 each may depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by established and, or, prominent securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares of face value of ₹ 10 each would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts downgrade our Equity Shares of face value of ₹ 10 each or publish inaccurate or unfavourable research about our business, our Equity Shares of face value of ₹ 10 each price may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, demand for our Equity Shares of face value of ₹ 10 each could decrease, which might cause the price and trading volume of our Equity Shares of face value of ₹ 10 each to decline.

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

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to 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 equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our 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. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale

of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

88. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares of face value of ₹ 10 each or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within 3 Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares of face value of ₹ 10 each even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares of face value of ₹ 10 each Allotted pursuant to the Offer or cause the trading price of the Equity Shares of face value of ₹ 10 each to decline on listing.

89. ***A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares of face value of ₹ 10 each at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares of face value of ₹ 10 each at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted.

90. ***The Offer Price, market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

The Offer Price, market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares of face value of ₹ 10 each on listing. Set out below is certain financial information.

Particulars	**As on and for the financial year ended March 31, 2025**	**As on and for the financial year ended March 31, 2024**	**As on and for the financial year ended March 31, 2023**
Total income *(₹ million)*	5,162.99	4,499.58	4,674.62
EBITDA *(₹ million)*	813.12	609.86	493.44
PAT *(₹ million)*	529.51	357.91	288.01
Market capitalisation[(1)] to total income multiple (in times)	[●]	[●]	[●]
Market capitalisation[(2)] to earning multiple (in times)	[●]	[●]	[●]
Price earnings ratio[(3)]	[●]	[●]	[●]
Price earnings ratio[(4)]	[●]	[●]	[●]
Enterprise value to EBITDA ratio[(5)]	[●]	[●]	[●]

Notes:

(1) *Based on Offer Price.*
(2) *Based on EBITDA and at the upper end of the price band.*
(3) *Based on EBITDA and at the upper end of the price band.*
(4) *Based on PAT and at the upper end of the price band.*
(5) *Enterprise value is calculated as [●].*

The Offer Price will be determined by our Company in consultation with the BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares of face value of ₹ 10 each will be determined by our Company in consultation with the BRLMs through the Book Building Process, and will be based on numerous factors, including factors as described under '*Basis for the Offer Price*' beginning on page 154 and may not be indicative of the market price for the Equity Shares of face value of ₹ 10 each after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares of face value of ₹ 10 each on listing or thereafter. The factors that could affect the market price of the Equity Shares of face value of ₹ 10 each include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares of face value of ₹ 10 each or provide any assurance regarding the price at which the Equity Shares of face value of ₹ 10 each will be traded after listing.

91. ***Our Company 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, once the Equity Shares of our Company are listed.***

The Equity Shares of face value of ₹ 10 each of our Company may be subject to general market conditions which may include significant price and volume fluctuations, once the Equity Shares of face value of ₹ 10 each of our Company are listed. The price of the Equity Shares of face value of ₹ 10 each may fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our performance and profitability, or any other political or economic factor. The occurrence of these factors may lead to the surveillance measures stipulated by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework being triggered in relation to the Equity Shares. If the Equity Shares of face value of ₹ 10 each are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of the Equity Shares of face value of ₹ 10 each such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of the Equity Shares of face value of ₹ 10 each or may in general cause disruptions in the development of an active trading market for the Equity Shares.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares[(1)(2)]	Up to [●] Equity Shares of face value ₹ 10 each, aggregating up to ₹ [●] million
which includes:	
Fresh Issue[(1)]	Up to [●] Equity Shares of face value ₹ 10 each, aggregating up to ₹ 1,100.00 million
Offer for Sale[(2)]	Up to 7,854,521 Equity Shares of face value ₹ 10 each, aggregating up to ₹ [●] million
The Offer comprises of:	
A) QIB Portion[(3)(4)]	Not more than [●] Equity Shares of face value ₹ 10 each
***of which*:**	
(i) **Anchor Investor Portion[(6)]**	Up to [●] Equity Shares of face value ₹ 10 each
(ii) **Net QIB Portion available for allocation QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)**	[●] Equity Shares of face value ₹ 10 each
of which:	
(a) **Available for allocation to Mutual Funds only (5% of the Net QIB Portion)**	[●] Equity Shares of face value ₹ 10 each
(b) **Balance of the Net QIB Portion for all QIBs including Mutual Funds**	[●] Equity Shares of face value ₹ 10 each
B) Non-Institutional Portion[(4)(5)(6)]	Not less than [●] Equity Shares of face value ₹ 10 each
of which:	
(i) **One-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million**	[●] Equity Shares of face value ₹ 10 each
(ii) **Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹1.00 million**	[●] Equity Shares of face value ₹ 10 each
C) Retail Portion[(4)(6)]	Not less than [●] Equity Shares of face value ₹ 10 each
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	39,039,325 Equity Shares of face value ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value ₹ 10 each
Use of Net Proceeds	See '*Objects of the Offer*' on page 133 for information on the use of Net Proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated September 8, 2025, and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated September 23, 2025. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution passed at its meeting dated September 8, 2025.

(2) Each Selling Shareholder severally and not jointly confirm that the Equity Shares of face value of ₹ 10 each being offered by the Selling Shareholders are eligible for being offered for sale pursuant to the Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. For further details of the authorizations received for the Offer, see 'Other Regulatory and Statutory Disclosures' on page 493.

(3) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares of face value of ₹ 10 each allocated to Anchor Investors. One-third of the Anchor Investor Portion 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 in the Anchor Investor Portion, the remaining Equity Shares of face value of ₹ 10 each shall be added to the QIB Portion (other than the Anchor Investor Portion) (**Net QIB Portion**). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares of face value of ₹ 10 each available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see 'Offer Procedure' on page 518.*

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill- over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see 'Offer Procedure' on page 518.*

(5) *The Equity Shares of face value of ₹ 10 each available for Allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the subcategories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders in accordance with the SEBI ICDR Regulations.*

(6) *Allocation to Bidders in all categories, except in Anchor Investor Portion, Non-Institutional Portion and the Retail Individual Investor Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares of face value of ₹ 10 each in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹0.20 million subject to the availability of Equity Shares of face value of ₹ 10 each in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see 'Offer Procedure' on page 518. Our Company will not receive any proceeds from the Offer for Sale.*

For further details, including in relation to grounds for rejection of Bids, see '*Offer Structure*' and '*Offer Procedure*' on pages 514 and 518, respectively. For further details of the terms of the Offer, see '*Terms of the Offer*' on page 507.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Financial Statements. The information presented below may differ in certain significant respects from financial statements prepared in accordance with generally accepted accounting principles in other countries, including IFRS. For details, see 'Risk factor -Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Earnings before interest, tax, depreciation and amortization expenses (EBITDA), EBITDA margin, return on capital employed (ROCE), return on equity (ROE), inventory turnover ratio and debt to equity, have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.' on page 74. The summary financial information presented below should be read in conjunction with 'Restated Financial Statements' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 371 and 449.

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million)

	Particulars		As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1	**ASSETS**				
	(a)	Property, Plant and Equipment	824.95	670.46	599.56
	(b)	Capital work-in-progress	39.88	35.53	52.68
	(c)	Other Intangible assets	2.10	2.13	-
	(d)	Financial assets			
	(i)	Investments	-	-	29.49
	(ii)	Other financial assets	86.64	129.27	29.27
	(e)	Other non-current assets	36.96	5.34	4.14
	Total non-current assets		**990.53**	**842.73**	**715.14**
2	**Current assets**				
	(a)	Inventories	810.98	623.65	599.12
	(b)	Financial assets			
	(i)	Investments	-	31.88	-
	(ii)	Trade receivables	783.86	813.39	656.75
	(iii)	Cash and cash equivalents	24.59	4.71	19.40
	(iv)	Bank balances other than (iii) above	303.16	286.22	3.49
	(v)	Other financial assets	27.17	4.81	2.31
	(c)	Current tax assets (net)	-	-	-
	(d)	Other current assets	19.48	13.42	36.24
	Total current assets		**1,969.24**	**1,778.08**	**1,317.31**
	TOTAL ASSETS		**2,959.77**	**2,620.81**	**2,032.45**
	EQUITY AND LIABILITIES				
	Equity				
	(a)	Equity share capital	78.08	48.59	40.00
	(b)	Other equity	2,338.08	1,861.33	1,126.45
	(c)	Equity share capital to be issued pursuant to the scheme of Arrangement for Amalgamation	-	29.49	29.49
		Total equity	**2,416.16**	**1,939.40**	**1,195.94**
	Liabilities				
1	**Non-current liabilities**				
	(a)	Financial liabilities			
	(i)	Borrowings	7.56	68.15	303.83
	(b)	Provisions	9.70	7.15	5.33
	(c)	Deferred tax liabilities (net)	10.79	24.43	8.66
	Total non-current liabilities		**28.05**	**99.73**	**317.82**
2	**Current liabilities**				
	(a)	Financial liabilities			
	(i)	Borrowings	68.21	343.98	332.56

(in ₹ million)

	Particulars		As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	(ii)	Trade payables			
		(A) Total outstanding dues of micro enterprises and small enterprises	15.64	19.03	24.21
		(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	228.54	90.75	90.07
	(iii)	Other financial liabilities	127.65	48.50	42.08
	(b)	Other current liabilities	65.78	56.91	23.63
	(c)	Provisions	6.32	4.49	3.27
	(d)	Current tax liabilities (net)	3.42	18.02	2.87
	Total current liabilities		**515.56**	**581.68**	**518.69**
	TOTAL EQUITY AND LIABILITIES		**2,959.77**	**2,620.81**	**2,032.45**

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RESTATED STATEMENT OF PROFIT AND LOSS

(in ₹ million)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
	Income:			
I	Revenue from operations	5,079.12	4,460.84	4,629.28
II	Other income	83.87	38.74	45.34
III	**Total Income (I+II)**	**5,162.99**	**4,499.58**	**4,674.62**
IV	**Expenses:**			
	Cost of materials consumed	2,716.46	2,745.21	3,236.52
	Purchase of stock-in-trade	291.93	153.04	100.24
	Changes in inventories of finished goods, work in progress and stock in trade	(125.41)	(50.93)	(65.77)
	Employee benefits expense	326.14	187.29	165.74
	Finance cost	13.58	23.09	33.83
	Depreciation and amortization expense	105.91	87.58	77.36
	Other expenses	1,140.75	855.11	744.45
	Total expenses (IV)	**4,469.36**	**4,000.39**	**4,292.37**
V	**Profit before exceptional items and tax (III-IV)**	693.63	499.19	382.25
VI	**Exceptional items**	-	-	-
VII	**Profit before tax (V-VI)**	693.63	499.19	382.25
VIII	**Tax expense:**			
	Current tax	175.45	125.54	94.86
	Deferred tax	(13.49)	15.58	(1.61)
	Earlier Year Tax	2.16	0.16	0.99
	Total tax expense (VIII)	**164.12**	**141.28**	**94.24**
IX	**Profit for the period (VII-VIII)**	529.51	357.91	288.01
A	Items that will not be reclassified to profit or loss			
i)	Re-measurement gain/(loss) of defined benefit obligation	(0.62)	0.75	2.40
ii)	Income tax relating to items that will not be reclassified to profit or loss	0.16	(0.19)	(0.60)
	Total other comprehensive income/(loss) for the year, net of tax (X)	**(0.46)**	**0.56**	**1.80**
XI	**Total Comprehensive Income for the period (IX+X)**	**529.05**	**358.47**	**289.81**
XII	**Earnings per equity share of ₹10/- each (Without adjusting for bonus shares)**			
	- Basic ₹	67.82	50.33	41.45
	- Diluted ₹	67.82	50.33	41.45
	Weighted average equity shares used in computing earnings per equity share (refer note no. 34)			
	- Basic	78,07,865	71,10,917	69,49,000
	- Diluted	78,07,865	71,10,917	69,49,000
	Earnings per equity share of ₹10/- each (After adjusting for bonus shares)			

(in ₹ million)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
	- Basic ₹	13.56	10.07	8.29
	- Diluted ₹	13.56	10.07	8.29
	Weighted average equity shares used in computing earnings per equity share (refer note no. 34)			
	- Basic	3,90,39,325	3,55,54,586	3,47,45,000
	- Diluted	3,90,39,325	3,55,54,586	3,47,45,000

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RESTATED STATEMENT OF CASH FLOW

(in ₹ million)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
Cash flow from operating activities						
Profit before tax		**693.62**		**499.19**		**382.25**
Adjustments for:						
Depreciation and amortisation expense	105.92		87.58		77.36	
Unrealised foreign exchange (Gain)/Loss on foreign currency rate fluctuation	(1.16)		1.19		1.26	
Net (Gain)/Loss on fair valuation of investments measured at fair value through profit or loss	-		(2.40)		(3.10)	
Net (Gain)/Loss on sale of Investment	(4.60)		-		-	
Liabilities no longer required written back	(0.50)		(0.73)		-	
Sundry Balances Written off	0.27		-		-	
Net (Gain)/Loss on Property, plant and equipment sold and held for sale	(0.70)		0.98		(0.02)	
Interest expense	13.58		23.09		33.83	
Interest income	(31.83)		(12.72)		(3.09)	
Allowance for expected credit loss and doubtful receivables	1.21					
Interest on MSME	0.04					
		82.22		96.99		106.24
Operating profit before working capital changes		**775.84**		**596.18**		**488.49**
Changes in working capital:						
Increase/(Decrease) in trade payables and other liabilities	226.82		39.15		(42.22)	
Decrease/(Increase) in trade and other receivables	(6.41)		(128.81)		(167.29)	
Decrease/(Increase) in inventories	(187.34)		(24.53)		(55.21)	
		33.07		(114.19)		(264.72)
Cash generated from/(used in) operations		**808.92**		**481.99**		**223.77**
Income tax paid (net)		(190.05)		(110.55)		(89.94)
Net cash flow from/(used in) operating activities (A)		**618.87**		**371.44**		**133.83**
Cash flow from investing activities						
Purchase of property, plant and equipment including intangible assets and Capital work in progress		(265.03)		(148.45)		(216.68)
Proceeds from sale of property, plant and equipment		5.00		0.02		0.45
Interest received		31.83		12.72		3.09
Net payments for capital advances		(31.62)		(5.34)		-
Sale of Investment		36.48		-		
Bank balances not considered as cash and cash equivalents:						
(Increase)/Decrease in deposit with banks, having original maturity more than three months but less than twelve months		284.69		(285.26)		-

(in ₹ million)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024		For the year ended March 31, 2023	
(Increase)/Decrease in deposit with banks, having original maturity more than twelve months		43.53		(100.00)		-
(Increase)/Decrease in deposit with banks, having original maturity more than twelve months but remaining maturity of less than twelve months		(301.63)		2.53		0.46
Net cash flow from/(used in) investing activities (B)		**(196.75)**		**(523.78)**		**(212.68)**
Cash flow from financing activities						
Proceeds from issuance of share capital		-		385.00		-
Proceeds/ (Repayment) from non current borrowings		(3.66)		(237.64)		27.22
Proceeds/(Repayment) of current borrowings		(275.76)		11.42		97.94
Interest paid		(18.81)		(21.13)		(31.94)
Advances against redemption of Prefernce Share Capital		(104.00)		-		
Net cash flow from/(used in) financing activities (C)		**(402.23)**		**137.65**		**93.22**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**19.88**		**(14.69)**		**14.37**
Cash and cash equivalents at the beginning of the period		4.71		19.40		5.03
Cash and cash equivalents at the end of the period *		**24.59**		**4.71**		**19.40**
* Comprises						
Balances with banks in current account		1.87		0.62		17.37
Balances with banks in cash credit and overdraft account		-				
Cash on hand		1.53		4.09		2.03
Cheque In Hand		21.19		-		-
		24.59		**4.71**		**19.40**

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GENERAL INFORMATION

Our Company was originally incorporated as 'Behari Lal Ispat Private Limited', at Jalandhar, Punjab as a private limited company under the Companies Act, 1956 and received a certificate of incorporation issued by the Registrar of Companies, Punjab, H.P. & Chandigarh on May 23, 1995. Subsequently, the name of our Company was changed to 'Behari Lal Engineering Private Limited' pursuant to a special resolution passed by the shareholders of our Company on August 5, 2024, and a fresh certificate of incorporation issued by the RoC on September 4, 2024. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by the Shareholders of our Company passed in their meeting on August 5, 2024, and the name of our Company was changed to its present name 'Behari Lal Engineering Limited', pursuant to a fresh certificate of incorporation issued by the RoC on September 21, 2024.

Registered and Corporate Office of our Company

The address and certain other details of our Registered Office are as follows:

Behari Lal Engineering Limited
Village Salani, Amloh Road,
Mandi Gobindgarh,
Punjab-147 301, India.
Telephone: +91 17655 20694
E-mail: cs@beharilalgroup.com
Website: www.beharilalengineering.com

The address and certain details of our Corporate Office are as follows:

Behari Lal Engineering Limited

B-9, Surajmal Vihar, Vikas Marg Extension,
Near Leela Ambience Convention Hotel,
East Delhi, Delhi -110092, India.
Tel: +91 11 4056 3114
E-mail: cs@beharilalgroup.com
Website: www.beharilalengineering.com

For details of the changes in our Registered Office, please see *'History and Certain Corporate Matters - Changes in the Registered Office'* on page 333.

Company registration number and corporate identity number

The registration number and corporate identity number of our Company are as follows:

Company Registration Number: 016490

Corporate Identity Number: U27109PB1995PLC016490

Address of the Registrar of Companies

Our Company is registered with the RoC, Punjab at Chandigarh situated at the following address:

Registrar of Companies
1st Floor, Corporate Bhawan,
Plot No. 4-B, Sector 27-B,
Chandigarh – 160 019,
Punjab, India.

Board of Directors

Brief details of our Board of Directors as on the date of this Draft Red Herring Prospectus is set out below:

Name	Designation	DIN	Address
Parkash Chand Garg	Chairman and Non-Executive Director	00215024	House No. 147, 5-C, Goyal Colony, Mandi Gobindgarh (R), Fatehgarh Sahib, Punjab, India - 147301.
Rajesh Garg	Vice Chairman and Non-Executive Director	00215153	D-11, Ashoka Niketan, Shakar Pur Baramad, Shakarpur, East Delhi, Delhi – 110092.
Dinesh Garg	Managing Director	00215117	House No. 147, 5-C, Goyal Colony, Gobindgarh (R), Fatehgarh Sahib, Punjab, India - 147301.
Lovlish Garg	Whole time Director	02000916	D-11, Ashoka Niketan, Vikas Marg Extn, Laxmi Nagar (East Delhi), PO: Laxmi Nagar, Dist. East Delhi, Delhi, India – 110092.
Manvinder Partap Singh	Executive Director	11075855	House No. 305, Street No. 1, Block 21/C, Near Shri Radha Krishna Mandir, Gandhi Nagar, Gobindgarh (R), Fatehgarh Sahib, Punjab, India – 147 301.
Anil Dhawan	Independent Director	08668508	B-302, Plot No. 29, Ispatika Appts, Sector 4 Dwarka, Dwarka Sector 6, South West Delhi, Delhi, India – 110075.
Anil Kumar Bansal	Independent Director	10937203	Flat No.401, Tower-20, BPTP Terra Building, Sector-37 D, Gurgaon, Gurgaon, Gurgaon, Haryana, India - 122001.
Ayussh Mittaal	Independent Director	07667437	K.P. Block, H. No. 301, Maurya Enclave Pitampura, Saraswati Vihar S.O., North West, Delhi, India – 110034.
Meena Rohilla	Independent Director	10955234	Flat No. 2206 A, Block No. 15, Housing Board Sector 63, Chandigarh, India - 160047.
Rajesh Kumar Sinha	Independent Director	00556694	House No. 1103, Millenium Residency, Plot No. 4, Sector 47, Gurgaon, P.O.: Gurgaon, Dist. Gurgaon, Haryana, India – 122001.

For brief profiles and further details of our Directors, see '*Our Management*' on page 340.

Company Secretary and Compliance Officer

Sanjeev Kumar Sehgal is the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

Sanjeev Kumar Sehgal
Village Salani, Amloh Road,
Mandi Gobindgarh,
Punjab-147 301, India.
Telephone: +91 17 6552 0694
E-mail: cs@beharilalgroup.com

Investor Grievances

Investors can contact our Company Secretary and Compliance Officer, or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares of face value of ₹ 10 each in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode etc.

For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediaries to whom the Bid cum Application Form was submitted. The Bidder

should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares of face value of ₹ 10 each applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID (in case of UPI Bidders who make the payment of Bid Amount using the UPI Mechanism).

Further, the Bidder shall also enclose a copy of the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information or documents mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI ICDR Master Circular (to the extent applicable), any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI ICDR Master Circular (to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLMs are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares of face value of ₹ 10 each applied for, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

Emkay Global Financial Services Limited
7th Floor, The Ruby, Senapati Bapat Marg,
Dadar – West,
Mumbai - 400 028,
Maharashtra, India
Telephone: +91 22 66121212
E-mail: blel.ipo@emkayglobal.com
Investor grievance e-mail: ibg@emkayglobal.com
Website: www.emkayglobal.com
Contact Person: Deepak Yadav/ Vimal Maniyar
SEBI Registration number: INM000011229

Systematix Corporate Services Limited
The Capital, A-Wing, No. 603-606,
6th Floor, Plot No. C-70, G-Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051,
Maharashtra, India.
Telephone: +91 22 6704 8000
Email: mb.ipo@systematixgroup.in
Investor grievance e-mail: investor@systematixgroup.in
Website: www.systematixgroup.in
Contact Person: Jinal Sanghvi/ Mohit Ladkani
SEBI registration number: INM000004224

Statement of inter se allocation of responsibilities

The responsibilities of the BRLMs for various activities in the Offer are set out below:

Sr. No.	Activity	Responsibility	Co-Ordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy and due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus including a memorandum containing salient features of the prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI including finalisation of RHP, Prospectus, Offer Agreement, and Underwriting Agreements and RoC filing, and follow up and coordination till final approval from all regulatory authorities and uploading of documents on the document repository platform of the Stock Exchanges for all the stages of the IPO.	BRLMs	Emkay
2.	Drafting and approval of all statutory advertisements and preparation of Audiovisual (AV) presentation	BRLMs	Emkay
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 3 above, including corporate advertising, brochures, application form, abridged prospectus etc and filing of media compliance report with SEBI	BRLMs	Systematix
4.	Appointment of Printer, Registrar, Ad agency (including coordination of all agreements)	BRLMs	Emkay
5.	Appointment of all other intermediaries including, Banker (s) to the Issue, sponsor bank, syndicate members, share escrow agent, monitoring agency, etc. (including coordination of all agreements)	BRLMs	Emkay
6.	Preparation of road show presentation and FAQs for the road show team	BRLMs	Systematix
7.	International institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy and preparation of publicity budget; • Finalising the list and division of international investors for one-to-one meetings • Finalising international road show and investor meeting schedules	BRLMs	Emkay
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	BRLMs	Systematix
9.	Conduct non-institutional marketing of the Offer, which will cover, inter-alia: Formulating strategies for marketing to Non – Institutional Investors	BRLMs	Systematix
10.	Conduct retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows; • Finalising collection centres • Finalising centres for holding conferences for brokers etc.	BRLMs	Systematix

Sr. No.	Activity	Responsibility	Co-Ordinator
	• Finalising commission structure and co-ordinate with RTA for commission payouts • Follow-up on distribution of publicity and Offer material including form, RHP / Prospectus and deciding on the quantum of the Offer material		
11.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading	BRLMs	Systematix
12.	Preparation of CAN for Anchor Investors, Managing Anchor book related activities and submission of letters to regulators post completion of anchor allocation	BRLMs	Systematix
13.	Managing the book and finalization of pricing in consultation with Company	BRLMs	Systematix
14.	Post-Offer activities – finalisation of the basis of allotment, coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks etc., including responsibility for underwriting arrangements, as applicable, listing of instruments, demat credit and refunds / unblocking of funds, payment of the applicable STT on behalf of the Selling Shareholder, coordination for investor complaints related to the Offer, submission of final post issue report.	BRLMs	Systematix

Syndicate Members

[●]

Legal Counsel to the Offer

Bharucha & Partners
13th Floor, Free Press House,
Free Press Journal Marg, Nariman Point
Mumbai - 400 001,
Maharashtra, India.
Telephone: +91 22 6132 3900.

Statutory Auditors of our Company

M/s Ashwani & Associates
226-A, Tagore Nagar,
Ludhiana – 141 001,
Punjab, India.
Telephone+ 91 16 1230 1394/ 1450 0526
E-mail: aditya@ashwaniassociates.in
Firm Registration Number: 000497N
Peer Review Number: 014860

Changes in auditors

Except as disclosed below there has been no change in the Statutory Auditor of our Company during the last 3 years preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of Change	Reason for Change
M/s Ashwani & Associates 226-A, Tagore Nagar, Ludhiana – 141 001, Punjab, India.	September 30, 2024	Appointed as the Statutory Auditor of our Company for a period of five years.

Particulars	Date of Change	Reason for Change
Telephone: +91 16 1230 1394/ 1450 0426 **E-mail**: aditya@ashwaniassociates.in **Firm Registration Number**: 000497N **Peer Review Number: 014860**	August 1, 2024	Appointed to fill the casual vacancy caused on account of resignation of the erstwhile statutory auditor of our Company.
M/s Bansal Jiwan & Associates Chartered Accountants Shop No. 42-43, B. D. Complex, G. T. Road, Mandi Gobindgarh, Punjab -147 301, India **Telephone:** +91 78 1416 5083/ 94 1725 6576 **E-mail**: bansal.jiwan@gmail.com **Firm Registration Number**: 034320N	July 22, 2024	Resigned from the post of the statutory auditor of our Company due to unavoidable personal reasons.

Registrar to the Offer

MUFG Intime India Private Limited ***(formerly Link Intime India Private Limited)***
C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083
Maharashtra, India
E-mail: beharilalengineering.ipo@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Investor grievance e-mail: beharilalengineering.ipo@in.mpms.mufg.com
Telephone: +91 810 811 4949
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker to the Offer

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Sponsor Banks

[●]

Bankers to our Company

HDFC Bank Limited
Main Post Office Road,
Hukam Chand Building,
Mandi Gobindgarh,
Punjab- 147301, India.
Telephone: +91 73078 24834
Contact person: Sundeep Sood
E-mail: Sundeep.sood@hdfcbank.com
Website: www.hdfcbank.com

ICICI Bank Limited
Shop No. 140-148,
Opp. Shani Mandir G.T. Road,
Mandi Gobindgarh – 147 301,
Punjab, India.
Telephone: +91 95690 95442
Contact person: Manjit Singh
E-mail: manjit.singh2@icicibank.com
Website: www.icicibank.com

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than UPI Bidders using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time.

Further the branches of the SCSBs, where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Eligible SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI ICDR Master Circular (to the extent applicable), UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

Except as set out below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 26, 2025, from our Statutory Auditors namely, M/s Ashwani & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as 'expert' as required under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated September 8, 2025, on our Restated Financial Statements ; and the statement of special tax benefits dated September 26, 2025, available to the Company and its shareholders included in this Draft Red Herring Prospectus in terms of Section 26(5) of the Companies Act, read with SEBI ICDR Regulations, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 26, 2025, from GATS India Ltd, Independent Chartered Engineer to include their name as an 'expert' as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an Independent Chartered Engineer in respect of the certificate dated September 26, 2025, issued by them in connection with the quotations obtained from vendors in relation to the Objects of the Offer and installed capacity and capacity utilisation of our facilities and certain other details and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 26, 2025, from Chauhan Pradeep & Associates, practicing Company Secretary to include their name as an 'expert' as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as defined under Section 2(38) of the Companies Act to the extent and in its capacity as Practicing Company Secretary in respect of the certificates dated September 26, 2025, issued by them in connection with certain untraceable corporate records of our Company and certain other details in relation to our Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Monitoring Agency

As the size of the Offer exceeds ₹ 1,000.00 million, our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a Monitoring Agency, prior to filing of the Red Herring Prospectus with the RoC, for monitoring the utilization of the Gross Proceeds from Fresh Issue. For further details in relation to the proposed utilisation of the Gross Proceeds from Fresh Issue, see '*Objects of the Offer*' on page 133.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Offer. For details, see *'Risk Factors – The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates'* on page 73.

Grading of the Offer

No credit rating agency registered with SEBI has been appointed for grading the Offer.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustees

As this is an Offer consisting only of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus is being filed electronically through the SEBI online intermediary portal at https://siportal.sebi.gov.in/intermediary/index.html, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance with the SEBI ICDR Master Circular.

It will also be filed with the SEBI at the following address:

Securities and Exchange Board of India

Corporation Finance Department,
Division of Issues and Listing
SEBI Bhavan, Plot No. C4-A,
"G" Block, Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Maharashtra, India.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act will be filed with the RoC and a copy of the Prospectus to be filed with the ROC under Section 26 of the Companies Act through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do. For details of the address of the RoC, see "*Address of the Registrar of Companies*" on page 92.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band and the minimum Bid lot which will be decided by our Company in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] editions of [●] (a Punjabi daily newspaper) (Punjabi being the regional language of Punjab, where our registered office is situated), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see '*Offer Procedure*' on page 518.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. UPI Bidders may participate in the Offer through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 0.50 million shall use the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares of face value of ₹ 10 each or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to Anchor Investors will be on a discretionary basis, while allocation to QIBs (other than Anchor Investors) will be on a proportionate basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to: (i) filing of Prospectus with the RoC and (ii) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details on the method and procedure for Bidding and book building procedure, see '*Terms of the Offer*', '*Offer Structure*' and '*Offer Procedure*' on pages 507, 514 and 518, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see '*Terms of the Offer*', '*Offer Structure*' and '*Offer Procedure*' on pages 507, 514 and 518, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares of face value of ₹ 10 each proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed prior to the filing of the Prospectus with the RoC. This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares of face value of ₹ 10 each to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative only and will be finalised after determination of Offer Price and finalisation of Basis of Allotment and the allocation of Equity Shares of face value of ₹ 10 each and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of each of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers with SEBI under Section 12(1) of the SEBI Act or as stock brokers with Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares of face value of ₹ 10 each allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares of face value of ₹ 10 each to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus is set forth below:

(in ₹ million, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	47,000,000 Equity Shares of face value of ₹ 10 each	470.00	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	39,039,325 Equity Shares of face value of ₹ 10 each	390.39	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million(1)(2)	[●]	[●]*
	Of which:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,100.00 million(1)	[●]	[●]
	Offer for Sale of up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million(2)	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER#**		
	[●] Equity Shares of face value ₹ 10 each	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		460.25
	After the Offer		[●]

** To be included upon finalisation of the Offer Price.*

 # Assuming full subscription

(1) The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated September 8, 2025, and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated September 23, 2025. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution passed at its meeting dated September 8, 2025.

(2) Each of the Selling Shareholders confirm that the Offered Shares have been held by them, severally not jointly, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For further details of the authorisations received for the Offer, see 'Other Regulatory and Statutory Disclosures' on page 493. The Selling Shareholders have confirmed and consented to their participation in the Offer for Sale as set forth below:

Sr. No.	***Name of the Selling Shareholder***	***Type***	***Number of Offered Shares in the Offer for Sale***	***Date of the consent letter to participate in the Offer for Sale***	***Date of the authorization letter / board resolution approving the participation in the Offer for Sale***
1.	*Rajesh Garg*	Promoter Selling Shareholder	*2,045,985*	*September 8, 2025*	*NA*
2.	*Lovlish Garg*	Promoter Selling Shareholder	*514,028*	*September 8, 2025*	*NA*
3.	*Yogita Garg*	Promoter Group Selling Shareholder	*2,264,720*	*September 8, 2025*	*NA*
4.	*Dinesh Kumar Garg HUF*	Promoter Group Selling Shareholder	*297,033*	*September 8, 2025*	*NA*
5.	*SG Tech Engineering Private Limited*	Investor Shareholder Selling Shareholder	*2,732,755*	*September 8, 2025*	*September 8, 2025*

For details of changes to our authorized share capital in the past 10 years, please see *'History and Certain Corporate Matters – Amendments to the Memorandum of Association'* on page 333.

Notes to the Capital Structure

1. **Equity Share capital history of our Company**

a. The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
May 23, 1995[(1)]	200	Subscription to Memorandum of Association by issuance of (i) 100 Equity Shares to Parkash Chand Garg; and (ii) 100 Equity Shares to Bachanlal Garg.	10	10	Cash	Initial subscription to the Memorandum of Association	200	2,000
December 9, 1997	500	Allotment of 100 Equity Shares each to (i) Rajiv Gupta; (ii) Bimla Rani; (iii) Anil Gupta; (iv) Dinesh Garg; and (v) Rajesh Garg.	10	10	Cash	Further Issue	700	7,000
March 7, 2002	11,000	Allotment of (i) 3,900 Equity Shares to Rajiv Kumar Garg; (ii) 1,900 Equity Shares to Bachan Lal; (iii) 1,900 Equity Shares to Parkash Chand Garg; (iv) 2,900 to Dinesh Garg; and (v) 400 Equity Shares to Rajesh Garg.	10	10	Cash	Further Issue	11,700	117,000
November 24, 2003	500	Allotment of 500 Equity Shares to Parkash Chand Garg HUF	10	10	Cash	Further Issue	12,200	122,000
August 8, 2006	50,000	Allotment of 25,000 Equity Shares each to (i) Sharon Travels and Exports P Limited; and (ii) Sears Exim (P) Limited.	10	10	Cash	Further Issue	62,200	622,000
November 15, 2007	200,000	Allotment of (i) 100,000 Equity Shares to Marrass Industries Private Limited; (ii) 50,000 Equity Shares to Jigisha Consolidated (P) Limited; (iii) 10,000 Equity Shares to Parkash Chand Garg; (iv) 10,000 Equity Shares to Rajesh Garg; (v) 10,000 Equity Shares to Dinesh Garg; (vi) 10,000 Equity Shares to Anil Gupta; and (vii)	10	10	Cash	Further Issue	262,200	2,622,000

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		10,000 Equity Shares to Bimla Rani.						
March 31, 2010	100	Allotment of 100 Equity Shares to Parvesh Sood.	10	10	Cash	Further Issue	262,300	2,623,000
September 12, 2011	55,500	Allotment of (i) 10,000 Equity Shares to Anil Gupta[(2)]; (ii) 15,000 Equity Shares to Anil Gupta (HUF); (iii) 15,000 Equity Shares to Alpana Gupta; (iv) 15,000 Equity Shares to Shantum Gupta[(2)]; (v) 100 Equity Shares to Anju Garg; (vi) 100 Equity Shares to Yogita Garg; (vii) 100 Equity Shares to Rajesh Garg HUF; (viii) 100 Equity Shares to Dinesh Kumar Garg HUF; and (ix) 100 Equity Shares to Lovlish Garg.	10	150	Cash	Further Issue	317,800	3,178,000
September 17, 2011	12,600	Allotment of (i) 100 Equity Shares to Pushpa Goyal; (ii) 3,000 Equity Shares to Kiran Garg; and (iii) 9,500 Equity Shares to Kiran Garg (HUF).	10	150	Cash	Further Issue	330,400	3,304,000
April 10, 2012	400,000	Allotment of (i) 50,000 Equity Shares to Parkash Chand Garg.; (ii) 25,000 Equity Shares to Rajesh Garg; (iii) 25,000 Equity Shares to Dinesh Garg; (iv) 60,000 Equity Shares to Anju Garg; (v) 60,000 Equity Shares to Yogita Garg; (v) 60,000 Equity Shares to Lovlish Garg; (vii) 60,000 Equity Shares to Rajesh Garg HUF; and (viii) 60,000 Equity Shares to Dinesh Kumar Garg HUF.	10	10	Cash	Further Issue	730,400	7,304,000
March 5, 2013	400	Allotment of 100 Equity Shares each to (i) Ridhisha Garg; (ii) Pratibha Goyal; (iii) Sandeep Goyal; and (iv) Aakarsh Goyal.	10	10	Cash	Further Issue	730,800	7,308,000
March 30, 2013[(3)]	50,000	Allotment of 25,000 Equity Shares each to (i) Parkash Chand Garg; and (ii) Dinesh Garg.	10	8	Cash	Allotment pursuant to forfeiture of Equity Shares	780,800	7,808,000

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
March 26, 2014	204,000	Allotment of (i) 39,000 Equity Shares to Aakarsh Goyal; (ii) 9,000 Equity Shares to Sandeep Goyal; (iii) 54,000 Equity Shares to Pratibha Goyal; (iv) 25,000 Equity Shares to Anil Kumar Gupta; (v) 37,000 Equity Shares to Alpana Gupta; and (vi) 40,000 Equity Shares to Shantum Gupta.	10	10	Cash	Further Issue	984,800	9,848,000
March 3, 2016	196,960	Allotment of (i) 14,300 Equity Shares to Keshwanand Goyal & Sons; (ii) 4,500 Equity Shares to Lovlish Garg; (iii) 12,500 Equity Shares to Lovlish Garg HUF; (iv) 20,000 Equity Shares to Bhanu Garg; (v) 26,500 Equity Shares to Yogita Garg; (vi) 16,800 Equity Shares to Bhuvnesh Garg. (vii) 6,000 Equity Shares to Atul Kumar Goel; (viii) 6,000 Equity Shares to Shalini Goel; (ix) 30,760 Equity Shares to Rajesh Garg; (x) 24,000 Equity Shares to Anju Garg; (xi) 11,800 Equity Shares to Aakarsh Goyal; (xii) 13,000 Equity Shares to Sandeep Goyal; and (xiii) 10,800 Equity Shares to Kanav Garg.	10	42	Cash	Rights issue in the ratio of 2 Equity Shares for 10 existing Equity Shares on the record date i.e., February 22, 2016.	1,181,760	11,817,600
July 18, 2016	37,500	Allotment of (i) 7,500 Equity Shares to Kiran Garg; (ii) 6,000 Equity Shares to Shantum Gupta; (iii) 12,000 Equity Shares to Alpana Gupta; and (iv) 12,000 Equity Shares to Shantum Gupta.	10	42	Cash	Rights issue in the ratio of 1 Equity Shares for 30 existing Equity Shares on the record date i.e., June 16, 2016.	1,219,260	12,192,600
January 5, 2017	8,000	Allotment of 8,000 Equity Shares to Kiran Garg.	10	50	Cash	Rights issue in the ratio of 1 Equity Shares	1,227,260	12,272,600

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
						for 1,000 existing Equity Shares on the record date i.e., November 28, 2016.		
April 24, 2017	1,800	Allotment of (i) 1,500 Equity Shares to Kiran Garg; and (ii) 300 Equity Shares to Sandeep Goyal (HUF).	10	50	Cash	Rights issue in the ratio of 1 Equity Shares for 1,000 existing Equity Shares on the record date i.e., November 28, 2016.	1,229,060	12,290,600
June 30, 2017	6,000	Allotment of 6,000 Equity Shares to Atul Kumar Goyal.	10	50	Cash	Rights issue in the ratio of 1 Equity Shares for 20 existing Equity Shares on the record date i.e., May 6, 2017.	1,235,060	12,350,600
March 30, 2018	1,235,060	Allotment of (i) 87,000 Equity Shares to Parkash Chand Garg; (ii) 100,500 Equity Shares to Parkash Chand Garg (HUF); (iii) 45,100 Equity Shares to Anil Kumar Gupta; (iv) 15,000 Equity Shares to Anil Kumar Gupta (HUF); (v) 4,000 Equity Shares to Ranjeev Gupta; (vi) 91,260	10	NA	Other than cash	Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on the	2,470,120	24,701,200

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Equity Shares to Rajesh Kumar Garg; (vii) 60,100 Equity Shares to Rajesh Kumar Garg HUF; (viii) 88,000 Equity Shares to Dinesh Garg; (ix) 60,100 Equity Shares to Dinesh Kumar Garg HUF; (x) 2,000 Equity Shares to Shakuntla Devi; (xi) 100 Equity Shares to Parvesh Sood; (xii) 64,000 Equity Shares to Alpana Gupta; (xiii) 73,000 Equity Shares to Shantum Gupta; (xiv) 84,100 Equity Shares to Anju Garg; (xv) 86,600 Equity Shares to Yogita Garg; (xvi) 64,600 Equity Shares to Lovlish Garg; (xvii) 100 Equity Shares to Pushpa Goyal; (xviii) 20,000 Equity Shares to Kiran Garg; (xix) 9,500 Equity Shares to Kiran Garg (HUF); (xx) 100 Equity Shares to Ridhisha Garg; (xxi) 54,100 Equity Shares to Pratibha Goyal; (xxii) 22,100 Equity Shares to Sandeep Goyal; (xxiii) 50,900 Equity Shares to Aakarsh Goyal; (xxiv) 14,300 Equity Shares to Keshwanand Goyal & Sons; (xxv) 12,500 Equity Shares to Lovlish Garg HUF; (xxvi) 20,000 Equity Shares to Bhanu Garg; (xxvii) 70,900 Equity Shares to Kanav Garg; (xxviii) 12,000 Equity Shares to Atul Kumar Goyal; (xxix) 6,000 Equity Shares to Shalini Goel (xxx) 16,800 Equity Shares to Bhuvnesh Garg and (xxxi) 300 Equity Shares to Sandeep Goyal (HUF).				record date i.e., March 1, 2018.		
September 21, 2018	875,500	Allotment of (i) 72,000 Equity Shares to Parkash Chand Garg; (ii) 50,000 Equity Shares to Rajesh Kumar Garg; (iii) 62,500 Equity Shares to Rajesh Kumar Garg HUF; (iv) 107,000 Equity Shares to Dinesh Garg; (v) 130,000 Equity Shares to	10	53.25	Cash	Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares	3,345,620	33,456,200

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Bhuvnesh Garg; (vi) 225,000 Equity Shares to Yogita Garg; (vii) 229,000 Equity Shares to Kanav Garg.				on the record date i.e., September 14, 2018		
September 24, 2018	654,380	Allotment of (i) 110,380 Equity Shares to Parkash Chand Garg (HUF); (ii) 277,000 Equity Shares to Dinesh Kumar Garg HUF; and (iii) 267,000 Equity Shares to Lovlish Garg.	10	53.25	Cash	Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares on the record date i.e., September 14, 2018	4,000,000	40,000,000
January 20, 2024	780,787	Allotment of 780,787 Equity Shares to Homedge Infracon Private Limited.	10	448.26	Cash	Private Placement	4,780,787	47,807,870
February 22, 2024	78,078	Allotment of 78,078 Equity Shares to Anubhav Gupta Investments (through Anubhav Gupta).	10	448.26	Cash	Private Placement	4,858,865	48,588,650
February 1, 2025	2,949,000	Allotment of (i) 227,375 Equity Shares to Dinesh Garg; (ii) 272,225 Equity Shares to Lovlish Garg; (iii) 276,710 Equity Shares to Parkash Chand Garg; (iv) 86,710 Equity Shares to Parkash Chand Garg (HUF); (v) 227,375 Equity Shares to Rajesh Garg; (vi) 272,225 Equity Shares to Anju Garg; (vii) 273,720 Equity Shares to Yogita Garg; (viii) 276,710 Equity Shares to Bhuvnesh Garg; (ix) 264,750 Equity Shares to Kanav Garg; (x) 264,750 Equity Shares to Bhanu Garg; (xi) 196,225 Equity Shares to Rajesh Kumar Garg HUF; (xii) 114,000 Equity Shares to Lovlish Garg HUF; and (xiii) 196,225 Equity Shares to Dinesh Kumar Garg HUF.	10	NA	Other than Cash	Allotment of Equity Shares pursuant to Scheme of Amalgamation	7,807,865	78,078,650

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
May 1, 2025	31,231,460	Allotment of (i) 2,238,528 Equity Shares to Parkash Chand Garg; (ii) 3,257,756 Equity Shares to Dinesh Garg; (iii) 3,117,692 Equity Shares to Rajesh Garg; (iv) 2,373,700 Dinesh Kumar Garg HUF; (v) 1,572,896 Equity Shares to Rajesh Kumar Garg HUF; (vi) 2,609,700 Equity Shares to Anju Garg; (vii) 2,687,680 Equity Shares to Yogita Garg; (viii) 2,673,700 Equity Shares to Lovlish Garg; (ix) 800 Equity Shares to Ridhisha Achal Bansal; (x) 2,091,792 Equity Shares to Bhanu Garg; (xi) 1,761,240 Equity Shares to Bhuvnesh Garg; (xii) 153,212 Equity Shares to Aakarsh Goyal; (xiii) 159,104 Equity Shares to Pratibha Goyal; (xiv) 556,000 Equity Shares to Lovlish Garg HUF; (xv) 3,123,148 Equity Shares to SG Tech Engineering Private Limited; (xvi) 2,542,200 Equity Shares to Kanav Garg; (xvii) 104,104 Equity Shares to Anubhav Gupta Ventures (through Anubhav Gupta); (xviii) 208,208 Equity Shares to Anubhav Gupta Investments (through Anubhav Gupta).	10	NA	Other than Cash	Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	39,039,325	390,393,250

(1) Our Company was incorporated on May 23, 1995, and the date of subscription to the Memorandum of Association was May 22, 1995.

(2) The resolution passed by our Board dated September 12, 2011, and the list of allottees which was filed with the Registrar of Companies along with the return of allotment (Form 2), inadvertently mentions the names of allottees as 'Anil Gupta Ind.' and 'Shentam Gupta' instead of their correct names i.e., 'Anil Gupta' and 'Shantum Gupta'. However, the register of members maintained by our Company mentions the correct names of the shareholders i.e., 'Anil Gupta' and 'Shantum Gupta'. For details, see 'Risk Factor - Our Company has filed statutory forms with incorrect information in the past and there has been variation in the corporate records of our Company. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard.' at page 50.

(3) Pursuant to a resolution passed by our Board dated March 31, 2011, our Company had allotted 50,000 Equity Shares of face value of ₹ 10 each to Goodluck Buildcon Private Limited at an Issue Price of ₹ 500 per Equity Share of face value of ₹ 10 each (including premium of ₹ 490 per Equity Share of face value of ₹ 10 each). Goodluck Buildcon Private Limited had made a part payment of ₹ 5,000,000 towards the acquisition of these 50,000 Equity Shares of face value of ₹ 10 each i.e., ₹ 100 per Equity Share of face value of ₹ 10 each. Out of the ₹ 5,000,000, ₹ 100,000 was paid towards the face value of the Equity Shares i.e., ₹ 2 per Equity Share of face value of ₹ 10 each and ₹ 4,900,000 was paid towards the premium i.e., ₹ 98 per Equity Share of face value of ₹ 10 each. Upon failure of Goodluck Buildcon Private Limited to pay the remaining amount towards this acquisition, our Board, pursuant to its resolution dated March

30, 2013, allotted 25,000 Equity Shares of face value of ₹ 10 each to Parkash Chand Garg and 25,000 Equity Shares of face value of ₹ 10 each to Dinesh Garg. The allotment of 25,000 Equity Shares of face value of ₹ 10 each was made to both Parkash Chand Garg and Dinesh Garg at a price of ₹ 8 per Equity Share of face value of ₹ 10 each. The remaining amount of ₹ 100,000 i.e., ₹ 2 per Equity Share of face value of ₹ 10 was utilised by our Company from the amount which was paid by Goodluck Buildcon Private Limited for the acquisition.

2. **Preference share capital history of our Company**

Our Company does not have any outstanding Preference Shares and all Preference Shares issued since the date of incorporation of our Company have been redeemed as of the date of this Draft Red Herring Prospectus.

The following table sets forth the history of the preference share capital of our Company:

Date of allotment	Nature of allotment	Details of allottees	Face value per Preference Shares (₹)	Issue price per Preference Shares (₹)	Nature of Consideration	Cumulative number of Preference Shares
February 18, 2025	Allotment of Preference Shares pursuant to Scheme of Amalgamation	Allotment of (i) 9,400,000 Preference shares to BLC Metals Private Limited; and (ii) 1,000,000 Preference Shares to Dinesh Kumar Garg HUF.	10	10	Other than Cash	10,400,000

Note: Pursuant to the resolution of our Board dated March 26, 2025, 10,400,000 Preference Shares were redeemed.

3. **Acquisition of Equity Shares of our Company through secondary transactions by our Shareholders (other than the transactions involving our Promoters)**

Set out below are the details of acquisitions of Equity Shares of face value of ₹ 10 each of our Company through secondary transactions by our Shareholders (other than the transactions involving our Promoters). For details of acquisitions of Equity Shares of face value of ₹ 10 each by our Promoters, please see '*Build-up of our Promoters' equity shareholding in our Company*' on page 120.

Date of Transfer / Transmission of Equity Shares	Name of transferor	Name of Transferee	No. of Equity Shares	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Total consideration	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)#	Percentage of the post- Offer Equity Share Capital (%)#
April 23, 2002*	Bachan Lal Garg	Shakuntala Rani	2,000	10	NA	NA	Other than cash	Negligible	[●]

Date of Transfer / Transmission of Equity Shares	Name of transferor	Name of Transferee	No. of Equity Shares	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Total consideration	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)#	Percentage of the post- Offer Equity Share Capital (%)#
July 8, 2009	Jigisha Consolidated Private Limited	Bimla Rani	50,000	10	2	100,000	Cash	0.13	[●]
July 15,2009	Marras Industries Private Limited	Parkash Chand Garg (HUF)	100,000	10	2	200,000	Cash	0.26	[●]
March 31, 2016*	Bimla Rani	Kanav Garg	60,100	10	NA	NA	Other than cash	0.15	[●]
March 31, 2018	Rajeev Gupta	Nippun Goyal	8,000	10	10	80,000	Cash	0.02	[●]
March 31, 2018	Parvesh Sood	Nippun Goyal	200	10	10	2,000	Cash	Negligible	[●]
March 31, 2018*	Shakuntala Rani	Nippun Goyal	4,000	10	NA	NA	Other than cash	0.01	[●]
April 1, 2018	Shalini Goyal	Anju Garg	11,999	10	46.20	554,400	Cash	0.03	[●]
April 1, 2018	Alpana Gupta	Bhanu Garg	127,999	10	46.20	5,913,554	Cash	0.33	[●]
April 1, 2018	Shantum Gupta	Anju Garg	145,999	10	46.20	6,745,154	Cash	0.37	[●]
April 1, 2018	Anil Kumar Gupta	Bhanu Garg	90,199	10	46.20	4,167,193.8	Cash	0.23	[●]
April 1, 2018	Anil Gupta HUF	Anju Garg	29,999	10	46.20	1,385,953.8	Cash	0.08	[●]
April 1, 2018	Atul Kumar Goel	Anju Garg	23,999	10	46.20	1,108,800	Cash	0.06	[●]
February 28, 2019	Keshwanand Goyal and Sons HUF	Pratibha Goyal	14,300	10	46.20	660,660	Cash	0.04	[●]
April 1, 2019	Keshwanand Goyal and Sons HUF	Rajesh Garg HUF	14,299	10	70	1,000,930	Cash	0.04	[●]
March 1, 2020	Sandeep Goyal (HUF)	Aakanksha Garg	599	10	70	41,930	Cash	Negligible	[●]
April 4, 2020	Pushpa Goyal	Sheena Mundeja Goyal	1	10	NA	NA	Gift	Negligible	[●]
July 23, 2021*	Pushpa Goyal	Sandeep Goyal	199	10	NA	NA	Other than cash	Negligible	[●]
July 3, 2024	Anubhav Gupta Investments (through Anubhav	Anubhav Gupta Ventures (through Anubhav Gupta)	26,026	10	448.27	11,666,667	Cash	0.07	[●]

Date of Transfer / Transmission of Equity Shares	Name of transferor	Name of Transferee	No. of Equity Shares	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Total consideration	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)[#]	Percentage of the post- Offer Equity Share Capital (%)[#]
	Gupta)								
August 14, 2024	Kiran Garg (HUF)	Kiran Garg	19,000	10	NA	NA	Transfer due to dissolution of Kiran Garg (HUF)	0.05	[●]
September 1, 2024	Anil Kumar Gupta (HUF)	Anju Garg	1	10	500	500	Cash	Negligible	[●]
September 1, 2024	Anil Kumar Gupta	Anju Garg	1	10	500	500	Cash	Negligible	[●]
September 1, 2024	Alpana Gupta	Anju Garg	1	10	500	500	Cash	Negligible	[●]
September 1, 2024	Shantum Gupta	Anju Garg	1	10	500	500	Cash	Negligible	[●]
September 1, 2024	Pratibha Goyal	Aakarsh Goyal	38,000	10	NA	NA	Gift	0.10	[●]
September 1, 2024	Sandeep Goyal	Aakarsh Goyal	299	10	NA	NA	Gift	Negligible	[●]
September 1, 2024	Keshwanand Goyal and Sons HUF	Aakarsh Goyal	1	10	NA	NA	Gift	Negligible	[●]
September 1, 2024	Sandeep Goyal (HUF)	Aakarsh Goyal	1	10	NA	NA	Gift	Negligible	[●]
September 1, 2024	Sheena Mundeja Goyal	Aakarsh Goyal	1	10	NA	NA	Gift	Negligible	[●]
May 19, 2025	Bhanu Garg	Anju Garg	2,614,740	10	NA	NA	Gift	6.70	[●]

[*] *Transmission of Equity Shares of face value of ₹ 10*

[#] *Subject to finalisation of Basis of Allotment*

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4. **Details of shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares of face value of ₹ 10 each (including bonus shares) by capitalizing any revaluation reserves. Except as set forth below, we have not issued any Equity Shares of face value of ₹ 10 each for consideration other than cash or by way of a bonus issue:

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Face value (₹)	Issue price per equity share (₹)	Form of consideration	Reasons for allotment	Benefits if any that have accrued to our Company
March 30, 2018	1,235,060	10	NA	Other than cash	Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on the record date i.e., March 1, 2018.	Nil
February 1, 2025	2,949,000	10	NA	Other than Cash	Allotment of Equity Shares pursuant to Scheme of Amalgamation	Acquisition of the entire business along with all the property, rights and power, all liabilities, duties assets, benefits and interest of Belco Special Steels Private Limited and Parkash Multimetals Private Limited
May 1, 2025	31,231,460	10	NA	Other than Cash	Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	Nil

5. Our Company is not proposing to undertake any pre-IPO placement.

6. Our Company is in compliance with the provisions of Companies Act, 1956 and Companies Act, 2013, as applicable, with respect to issuance of Equity Shares of face value of ₹ 10 each since its incorporation till the date of filing of Draft Red Herring Prospectus.

7. Except as disclosed in *'Capital Structure- Equity Share capital history of our Company'* on page 104 our Company has not allotted any Equity Shares of face value of ₹ 10 each pursuant to any scheme of arrangement approved under Sections 391 – 394 of the Companies Act, 1956, or Sections 230-234 of the Companies Act.

8. Our Company does not have any employee stock option scheme till the date of this Draft Red Herring Prospectus.

9. Except for the allotment of Equity Shares of face value of ₹ 10 each pursuant to a bonus issue and Scheme of Amalgamation as disclosed in *"Capital Structure- Equity Share capital history of our Company'* on page 104, our Company has not issued any Equity Shares of face value of ₹ 10 each at a price that may be lower than the Offer Price during a period of 1 year preceding the date of this Draft Red Herring Prospectus.

10. All transactions in Equity Shares of face value of ₹ 10 each by our Promoters and members of our Promoter Group between the date of filing this Draft Red Herring Prospectus and the Bid/Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions.

11. None of the Equity Shares of face value of ₹ 10 each held by our Shareholders are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

12. There are no outstanding options of convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares of face value of ₹ 10 each as on the date of this Draft Red Herring Prospectus.

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13. **Shareholding Pattern of our Company**

The table below sets out the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category(I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+ (V)+ (VI)	Shareholding as a % of total No. of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+ C2)	No. of Voting Rights held in each class of securities (IX)				No. of Share s Underlying Outstanding convertible securities (Including Warrant, ESOP etc.) (X)	Total No of shares on fully diluted basis (Including warrants, ESOP Convertible Securities etc. (XI)=(VII+X)	Shareholding. as a % assuming full conversion of convertible securities (as a percentage of diluted shar capital) (XII) = (VII)+(X) As a % of (A+B+ C2)	No. of locked in Equity Shares (XII)		No. of Equity Shares pledged (XIII)		Non-disposal undertaking (XIV)		Other encumbrances, if any (XV)		Total Number of Shares encumbered (XVI) = (XIII+XIV+XVI)		No. of Equity Shares held in dematerialized form (XIV)
								No. of Voting Rights			Total as a % of (A+B+C)				No.	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg: X	Class eg: Y	Total															
(A)	Promoter and Promoter Group	13	34,553,485	0	0	34,553,485	88.51	34,553,485	0	34,553,485	88.51	0	34,553,485	88.51	0		0		0		0		0		34,553,485
(B)	Public	4	4,485,840	0	0	4,485,840	11.49	4,485,840	0	4,485,840	11.49	0	4,485,840	11.49	0	NA									4,485,840
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA									0
(C1)	Shares underlying deposit	0	0	0	0	0	NA	0	0	0	0	0	0	0	0	NA									0

Category(I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+ (V)+ (VI)	Shareholding as a % of total No. of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+ C2)	No. of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (Including Warrant, ESOP etc.) (X)	Total No of shares on fully diluted basis (Including warrants, ESOP Convertible Securities etc. (XI)=(VII+X)	Shareholding. as a % assuming full conversion of convertible securities (as a percentage of diluted shar capital) (XII) = (VII)+(X) As a % of (A+B+ C2)	No. of locked in Equity Shares (XII)		No. of Equity Shares pledged (XIII)		Non-disposal undertaking (XIV)		Other encumbrances, if any (XV)		Total Number of Shares encumbered (XVI) = (XIII+XIV+XVI)		No. of Equity Shares held in dematerialized form (XIV)
								No. of Voting Rights			Total as a % of (A+B+C)				No.	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg: X	Class eg: Y	Total																
	ory receipts																								
(C2)	Shares held by employee trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0		NA								0
	Total	**17**	**39,039,325**	**0**	**0**	**39,039,325**	**100.00**	**39,039,325**	**0**	**39,039,325**	**100.00**	**0**	**39,039,325**	**100.00**	**0**										**39,039,325**

14. **Other details of Shareholding of our Company**

a. As on the date of the filing of this Draft Red Herring Prospectus, our Company has 17 shareholders.

b. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Lovlish Garg	5,532,125	14.17
2.	Dinesh Garg	4,072,195	10.43
3.	SG Tech Engineering Private Limited (*previously known as Homedge Infracon Private Limited*)	3,903,935	10.00
4.	Rajesh Garg	3,897,115	9.98
5.	Anju Garg	3,686,865	9.44
6.	Yogita Garg	3,359,600	8.61
7.	Kanav Garg	3,177,750	8.14
8.	Dinesh Kumar Garg HUF	2,967,125	7.60
9.	Parkash Chand Garg	2,798,160	7.17
10.	Bhuvnesh Garg	2,201,550	5.64
11.	Rajesh Kumar Garg HUF	1,966,120	5.04
12.	Lovlish Garg HUF	695,000	1.78
Total		**38,257,540**	**98.00**

c. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of 10 days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Anju Garg	5,876,865	15.05
2.	Dinesh Garg	4,072,195	10.43
3.	SG Tech Engineering Private Limited (*previously known as Homedge Infracon Private Limited*)	3,903,935	10.00
4.	Rajesh Garg	3,897,115	9.98
5.	Yogita Garg	3,359,600	8.61
6.	Lovlish Garg	3,342,125	8.56
7.	Kanav Garg	3,177,750	8.14
8.	Dinesh Kumar Garg HUF	2,967,125	7.60
9.	Parkash Chand Garg	2,798,160	7.17
10.	Bhuvnesh Garg	2,201,550	5.64
11.	Rajesh Kumar Garg HUF	1,966,120	5.04
12.	Lovlish Garg HUF	695,000	1.78
Total		**38,257,540**	**98.00**

d. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of the date 1 year prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital (%)
1.	SG Tech Engineering Private Limited (*previously known as Homedge Infracon Private Limited*)	780,787	16.07
2.	Rajesh Garg	403,722	8.31
3.	Yogita Garg	398,200	8.20
4.	Dinesh Kumar Garg HUF	397,200	8.17
5.	Lovish Garg	396,200	8.15
6.	Anju Garg	380,200	7.82
7.	Kanav Garg	370,800	7.63
8.	Dinesh Garg	337,300	6.94
9.	Parkash Chand Garg HUF	311,380	6.41
10.	Parkash Chand Garg	282,922	5.82
11.	Bhanu Garg	258,198	5.31
12.	Rajesh Kumar Garg HUF	196,999	4.05
13.	Bhuvnesh Garg	163,600	3.37
14.	Anubhav Gupta Investments (through Anubhav Gupta).	52,052	1.07
Total		**4,729,560**	**97.32**

e. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of the date 2 years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital (%)
1.	Yogita Garg	398,200	9.96
2.	Dinesh Kumar Garg HUF	397,200	9.93
3.	Lovlish Garg	396,200	9.91
4.	Rajesh Garg	384,720	9.62
5.	Anju Garg	380,196	9.50
6.	Kanav Garg	370,800	9.27
7.	Parkash Chand Garg	359,999	9.00
8.	Dinesh Garg	337,300	8.43
9.	Parkash Chand Garg HUF	311,380	7.78
10.	Bhanu Garg	258,198	6.45
11.	Rajesh Kumar Garg HUF	196,999	4.92
12.	Bhuvnesh Garg	163,600	4.09
Total		**3,954,792**	**98.86**

15. Our Company presently does not intend or propose to alter its capital structure for a period of 6 months from the Bid/Offer Opening Date, by way of sub-division or consolidation of the denomination of the Equity Shares, or by way of further issue of Equity Shares of face value of ₹ 10 each (including issue of securities convertible into or exchangeable, directly or indirectly for the Equity Shares), whether on a preferential basis or by way of issue of further public issue of Equity Shares, or otherwise.

16. **Details of Shareholding of our Promoters and the members of our Promoter Group in the Company:**

a. As on the date of this Draft Red Herring Prospectus, our Promoters and the members of our Promoter Group hold 34,553,485 Equity Shares of face value of ₹ 10 each constituting 88.51 % of the issued, subscribed and paid-up Equity Shares of face value of ₹ 10 each of our Company, as set forth below:

Sr. No.	Name of the Promoter	Pre-Offer No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)	Post-Offer No. of Equity Shares^	Percentage of the post-Offer Equity Share capital^
Promoter					
1.	Lovlish Garg	55,32,125	14.17	[●]	[●]
2.	Dinesh Garg	4,072,195	10.43	[●]	[●]
3.	Rajesh Garg	3,897,115	9.98	[●]	[●]
4.	Parkash Chand Garg	2,798,160	7.17	[●]	[●]
5.	Bhuvnesh Garg	2,201,550	5.64	[●]	[●]
Sub-Total (A)		**18,501,145**	**47.39**	**[●]**	**[●]**
Promoter Group					
6.	Anju Garg	3,686,865	9.44	[●]	[●]
7.	Dinesh Kumar Garg HUF	2,967,125	7.60	[●]	[●]
8.	Yogita Garg	3,359,600	8.61	[●]	[●]
9.	Kanav Garg	3,177,750	8.14	[●]	[●]
10.	Rajesh Kumar Garg HUF	1,966,120	5.04	[●]	[●]
11.	Lovlish Garg HUF	695,000	1.78	[●]	[●]
12.	Pratibha Goyal	198,880	0.51	[●]	[●]
13.	Ridhisha Achal Bansal	1,000	Negligible	[●]	[●]
Sub-Total (B)		**16,052,340**	**41.12**	**[●]**	**[●]**
TOTAL (A+B)		**34,553,485**	**88.51**	**[●]**	**[●]**

^ *To be updated in the Prospectus*

b. ***Build-up of our Promoters' shareholding in our Company***

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the tables below:

(i) Prakash Chand Garg

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Initial Subscription to the Memorandum of Association[(1)]	May 22, 1995	100	10	10	Cash	Negligible	[●]
Further Issue	March 7, 2002	1,900	10	10	Cash	Negligible	[●]
Further Issue	November 15, 2007	10,000	10	10	Cash	0.03	[●]
Further Issue	April 10, 2012	50,000	10	10	Cash	0.13	[●]
Allotment pursuant to forfeiture of Equity Shares [(2)]	March 30, 2013	25,000	10	8	Cash	0.06	[●]
Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on	March 30, 2018	87,000	10	NA	Other than cash	0.22	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
the record date i.e., March 1, 2018.							
Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares on the record date i.e., September 14, 2018	September 21, 2018	72,000	10	53.25	Cash	0.18	[●]
Transfer of Equity Shares from Nippun Goyal by way of Gift	May 15, 2019	12,200	10	NA	Gift	0.03	[●]
Transfer of Equity Shares from Aakarsh Goyal by way of gift	May 15, 2019	101,799	10	NA	Gift	0.26	[●]
Transfer of Equity Shares to Pratibha Goyal by way of gift	January 8, 2024	(77,676)	10	NA	Gift	(0.20)	[●]
Transfer of Equity Shares from Aakanksha by way of gift.	September 1, 2024	599	10	NA	Gift	Negligible	[●]
Allotment of Equity Shares pursuant to Scheme of Amalgamation	February 1, 2025	276,710	10	NA	Other than Cash	0.71	[●]
Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	May 1, 2025	2,238,528	10	NA	Other than Cash	5.73	[●]
Total		**2,798,160**				**7.17**	**[●]**

^ *To be updated in the Prospectus*

(1) Our Company was incorporated on May 23, 1995, and the date of subscription to the Memorandum of Association was May 22, 1995.

(2) Pursuant to a resolution passed by our Board dated March 31, 2011, our Company had allotted 50,000 Equity Shares of face value of ₹ 10 each to Goodluck Buildcon Private Limited at an Issue Price of ₹ 500 per Equity Share of face value of ₹ 10 each (including premium of ₹ 490 per Equity Share of face value of ₹ 10 each). Goodluck Buildcon Private Limited had made a part payment of ₹ 5,000,000 towards the acquisition of these 50,000 Equity Shares of face value of ₹ 10 each i.e., ₹ 100 per Equity Share of face value of ₹ 10 each. Out of the ₹ 5,000,000, ₹ 100,000 was paid towards the face value of the Equity Shares i.e., ₹ 2 per Equity Share of face value of ₹ 10 each and ₹ 4,900,000 was paid towards the premium i.e., ₹ 98 per Equity Share of face value of ₹ 10 each. Upon failure of Goodluck Buildcon Private Limited to pay the remaining amount towards this acquisition, our Board, pursuant to its resolution dated March 30, 2013, allotted 25,000 Equity Shares of face value of ₹ 10 each to Parkash Chand Garg and 25,000 Equity Shares of face value of ₹ 10 each to Dinesh Garg. The allotment of 25,000 Equity Shares of face value of ₹ 10 each was made to both Parkash Chand Garg and Dinesh Garg at a price of ₹ 8 per Equity Share of face value of ₹ 10 each. The remaining amount of ₹ 100,000 i.e., ₹ 2 per Equity Share of face value of ₹ 10 was utilised by our Company from the amount which was paid by Goodluck Buildcon Private Limited for the acquisition.

(ii) Rajesh Garg

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Further Issue	December 9, 1997	100	10	10	Cash	Negligible	[●]
Further Issue	March 7, 2002	400	10	10	Cash	Negligible	[●]
Further Issue	November 15, 2007	10,000	10	10	Cash	0.03	[●]
Transfer of Equity Shares from Sears Exim Private Limited	July 8, 2009	25,000	10	2	Cash	0.06	[●]
Further Issue	April 10, 2012	25,000	10	10	Cash	0.06	[●]
Rights issue in the ratio of 2 Equity Shares for 10 existing Equity Shares on the record date i.e., February 22, 2016	March 3, 2016	30,760	10	42	Cash	0.08	[●]
Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on the record date i.e., March 1, 2018.	March 30, 2018	91,260	10	NA	Other than cash	0.23	[●]
Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares on the record date i.e., September 14, 2018.	September 21, 2018	50,000	10	53.25	Cash	0.13	[●]
Transfer of Equity Shares from Pratibha Goyal by way of gift	November 1, 2018	108,100	10	NA	Gift	0.28	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Transfer of Equity Shared from Sandeep Goyal by way of gift	November 1, 2018	44,100	10	NA	Gift	0.11	[●]
Transfer of Equity Shared from Atul Kumar Goel by way of gift	September 1, 2024	1	10	NA	Gift	Negligible	[●]
Transfer of Equity Shared from Shalini Goel by way of gift	September 1, 2024	1	10	NA	Gift	Negligible	[●]
Transfer of Equity Shared from Kiran Garg by way of gift	September 1, 2024	19,000	10	NA	Gift	0.05	[●]
Allotment of Equity Shares pursuant to Scheme of Amalgamation	February 1, 2025	227,375	10	NA	Other than Cash	0.58	[●]
Transfer due to dissolution of Parkash Chand Garg (HUF)	April 4, 2025	148,326	10	NA	Other than Cash	0.38	[●]
Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	May 1, 2025	3,117,692	10	NA	Other than Cash	7.99	[●]
Total		**3,897,115**				**9.98**	**[●]**

^ *To be updated in the Prospectus*

(iii) Dinesh Garg

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Further Issue	December 9, 1997	100	10	10	Cash	Negligible	[●]
Further Issue	March 7, 2002	2,900	10	10	Cash	0.01	[●]
Further Issue	November 15, 2007	10,000	10	10	Cash	0.03	[●]
Transfer from Sharom Travels and Exports Private	July 8, 2009	25,000	10	2	Cash	0.06	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Limited							
Further Issue	April 10, 2012	25,000	10	10	Cash	0.06	[●]
Allotment pursuant to forfeiture of Equity Shares [(1)]	March 30, 2013	25,000	10	8	Cash	0.06	[●]
Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on the record date i.e., March 1, 2018.	March 30, 2018	88,000	10	NA	Other than cash	0.23	[●]
Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares on the record date i.e., September 14, 2018.	September 21, 2018	107,000	10	53.25	Cash	0.27	[●]
Transfer from Kiran Garg	November 1, 2018	40,000	10	NA	Gift	0.10	[●]
Transfer from Pratibha Goyal	May 15, 2019	14,300	10	NA	Gift	0.04	[●]
Allotment of Equity Shares pursuant to Scheme of Amalgamation	February 1, 2025	227,375	10	NA	Other than Cash	0.58	[●]
Transfer due to dissolution of Parkash Chand Garg (HUF)	April 25, 2025	249,764	10	NA	Other than Cash	0.64	[●]
Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	May 1, 2025	3,257,756	10	NA	Other than Cash	8.34	[●]
Total		**4,072,195**				**10.43**	**[●]**

^ *To be updated in the Prospectus*

[(1)] Pursuant to a resolution passed by our Board dated March 31, 2011, our Company had allotted 50,000 Equity Shares of face value of ₹ 10 each to Goodluck Buildcon Private Limited at an Issue Price of ₹ 500 per Equity Share of face value of ₹ 10 each (including premium of ₹ 490 per Equity Share of face value of ₹ 10 each). Goodluck Buildcon Private Limited had made a part payment of ₹ 5,000,000 towards the acquisition of these 50,000 Equity Shares of face value of ₹ 10 each i.e., ₹ 100 per Equity Share of face value of ₹ 10 each. Out of the ₹ 5,000,000, ₹ 100,000 was paid towards the face value of the Equity Shares i.e., ₹ 2 per Equity Share of face value of ₹ 10 each and ₹ 4,900,000 was paid towards the premium i.e., ₹ 98 per Equity Share of face value of ₹ 10 each. Upon failure of Goodluck Buildcon Private Limited to pay the remaining amount towards this acquisition, our Board, pursuant to its resolution dated March 30, 2013, allotted 25,000 Equity Shares of face value of ₹ 10 each to Parkash Chand Garg and 25,000 Equity Shares of face value of ₹ 10 each to Dinesh Garg. The allotment of 25,000 Equity Shares of face value of ₹ 10 each was made to both Parkash Chand Garg and Dinesh Garg at a price of ₹ 8 per Equity Share of face value of ₹ 10 each. The

remaining amount of ₹ 100,000 i.e., ₹ 2 per Equity Share of face value of ₹ 10 was utilised by our Company from the amount which was paid by Goodluck Buildcon Private Limited for the acquisition.

(iv) Lovlish Garg

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Further Issue	September 12, 2011	100	10	150	Cash	Negligible	[●]
Further Issue	April 10, 2012	60,000	10	10	Cash	0.15	[●]
Rights issue in the ratio of 2 Equity Shares for 10 existing Equity Shares on the record date i.e., February 22, 2016	March 3, 2016	4,500	10	42	Cash	0.01	[●]
Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on the record date i.e., March 1, 2018.	March 30, 2018	64,600	10	NA	Other than cash	0.17	[●]
Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares on the record date i.e., September 14, 2018.	September 24, 2018	267,000	10	53.25	Cash	0.68	[●]
Allotment of Equity Shares pursuant to Scheme of Amalgamation	February 1, 2025	272,225	10	NA	Other than Cash	0.70	[●]
Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	May 1, 2025	2,673,700	10	NA	Other than Cash	6.85	[●]
Transfer of Equity Shares from Anju Garg by way of gift	September 18, 2025	2,190,000	10	NA	Gift	5.61	[●]
Total		**5,532,125**				**14.17**	**[●]**

^ *To be updated in the Prospectus*

(v) Bhuvnesh Garg

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Rights issue in the ratio of 2 Equity Shares for 10 existing Equity Shares on the record date i.e., February 22, 2016	March 3, 2016	16,800	10	42	Cash	0.04	[●]
Bonus issue in the ratio of 1 Equity Shares each existing Equity Share held on the record date i.e., March 1, 2018.	March 30, 2018	16,800	10	NA	Other than cash	0.04	[●]
Rights issue in the ratio of 7 Equity Shares for 10 existing Equity Shares on the record date i.e., September 14, 2018.	September 21, 2018	130,000	10	53.25	Cash	0.33	[●]
Allotment of Equity Shares pursuant to Scheme of Amalgamation	February 1, 2025	276,710	10	NA	Other than Cash	0.71	[●]
Bonus Issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.	May 1, 2025	1,761,240	10	NA	Other than Cash	4.51	[●]
Total		**2,201,550**				**5.64**	**[●]**

^ *To be updated in the Prospectus*

c. All the Equity Shares of face value of ₹ 10 each held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

d. All Equity Shares of face value of ₹ 10 each held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

e. None of the Equity Shares of face value of ₹ 10 each held by our Promoters are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus. Further, none of the Equity Shares of face value of ₹ 10 each being offered for sale through Offer for Sale are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

f. Except as set forth below, no member of the Promoter Group holds Equity Shares of face value of ₹ 10 each in our Company:

Sr. No.	Name of the member of the Promoter Group	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Anju Garg	3,686,865	9.44
2.	Yogita Garg	3,359,600	8.61
3.	Kanav Garg	3,177,750	8.14
4.	Dinesh Kumar Garg HUF	2,967,125	7.60
5.	Rajesh Kumar Garg HUF	1,966,120	5.04
6.	Lovlish Garg HUF	695,000	1.78
7.	Pratibha Goyal	198,880	0.51
8.	Ridhisha Achal Bansal	1,000	Negligible
Total		**16,052,340**	**41.12**

g. Except as disclosed above in '*Capital Structure -Build-up of the Promoters' shareholding in our Company*' and the '*Capital Structure - Acquisition of Equity Shares of our Company through secondary transactions by our Shareholders (other than the transactions involving our Promoters)'* on page 120 and 111, none of our Promoters or the members of our Promoter Group or their relatives have purchased or sold any specified securities of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus. Further, none of our Directors have purchased or sold any specified securities of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

h. There have been no financing arrangements whereby our Promoters, the members of our Promoter Group, our Directors and their relatives have financed the purchase, by any other person of securities, of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

17. **Details of shareholding of the Selling Shareholders**

The shareholding of the Selling Shareholders and the number of Offered Shares being offered in the Offer for Sale by each of the Selling Shareholder is set out below:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares (A)	Percentage of the pre-Offer Equity Share capital	Maximum number of Offered Shares (B)	Residual number of Equity Shares (A-B)	Percentage of the post-Offer Equity Share capital^
1.	Lovlish Garg	5,532,125	14.17	514,028	5,018,097	**[●]**
2.	SG Tech Engineering Private Limited	3,903,935	10.00	2,732,755	1,171,180	[●]
3.	Rajesh Garg	3,897,115	9.98	2,045,985	1,851,130	[●]
4.	Yogita Garg	3,359,600	8.61	2,264,720	1,094,880	[●]
5.	Dinesh Kumar Garg HUF	2,967,125	7.60	297,033	2,670,092	[●]
Total		**19,659,900**	**50.36**	**7,854,521**	**11,805,379**	[●]

^ *To be updated in the Prospectus*

18. **Details of shareholding of our Directors, Key Managerial Personnel and Senior Management Personnel**

Other than as disclosed under *'Our Management – Shareholding of Directors in our Company'*, *'Our Management – Shareholding of Key Managerial Personnel and Senior Management in our Company'* on pages 347 and 361 respectively, none of our Directors, Key Managerial Personnel and Senior Management Personnel hold and Equity Shares of face value of ₹ 10 each as on the date of this Draft Red Herring Prospectus.

19. **Details of price at which Equity Shares were acquired by our Promoters, the members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate Directors or other rights in the last 3 years preceding the date of this Draft Red Herring Prospectus**

Save and except for below, our Promoters, the members of our Promoter Group, the Selling Shareholders and Shareholders with right to nominate Directors or other rights have not acquired any specified securities in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Name	Date of Acquisition	Number of Equity Shares of face value of ₹ 10 each Acquired	Face Value (in ₹)	Acquisition price per Equity Share^
Promoters				
Prakash Chand Garg	September 1, 2024	599	10	Nil
	February 1, 2025	276,710	10	NA
	May 1, 2025	2,238,528	10	Nil
Rajesh Garg*	September 1, 2024	1	10	Nil
	September 1, 2024	1	10	Nil
	September 1, 2024	19,000	10	Nil
	February 1, 2025	227,375	10	NA
	April 4, 2025	148,326	10	Nil
	May 1, 2025	3,117,692	10	Nil
Dinesh Garg	February 1, 2025	227,375	10	NA
	April 25, 2025	249,764	10	Nil
	May 1, 2025	3,257,756	10	Nil
Lovlish Garg*	February 1, 2025	272,225	10	NA
	May 1, 2025	2,673,700	10	Nil
	September 18, 2025	2,190,000	10	Nil
Bhuvnesh Garg	February 1, 2025	276,710	10	NA
	May 1, 2025	1,761,240	10	Nil
Promoter Group				
Kanav Garg	February 1, 2025	264,750	10	NA
	May 1, 2025	2,542,200	10	Nil
Lovlish Garg HUF	February 1, 2025	114,000	10	NA
	May 1, 2025	556,000	10	Nil
Rajesh Kumar Garg HUF	February 1, 2025	196,225	10	NA
	May 1, 2025	1,572,896	10	Nil
Dinesh Kumar Garg HUF*	February 1, 2025	196,225	10	NA
	May 1, 2025	2,373,700	10	Nil
Anju Garg	September 1, 2024	4	10	500.00
	February 1, 2025	272,225	10	NA
	May 1, 2025	2,609,700	10	Nil
	May 19, 2025	2,614,740	10	Nil
Yogita Garg*	February 1, 2025	273,720	10	NA
	May 1, 2025	2,687,680	10	Nil
Pratibha Goyal	January 8, 2024	77,676	10	Nil
	May 1, 2025	159,104	10	Nil

Name	Date of Acquisition	Number of Equity Shares of face value of ₹ 10 each Acquired	Face Value (in ₹)	Acquisition price per Equity Share^
Bhanu Garg	February 1, 2025	264,750	10	NA
	May 1, 2025	2,091,792	10	Nil
Ridhisha Achal Bansal	May 1, 2025	800	10	Nil
Kiran Garg	August 14, 2024	19,000	10	NA
Selling Shareholders				
SG Tech Engineering Private Limited	January 20, 2024	780,787	10	448.26
	May 1, 2025	3,123,148	10	Nil
Other Shareholders with special rights –Nil				

** Also, Selling Shareholder.*

^ As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.

20. **Details of Promoters' contribution and lock in**

a. Pursuant to Regulation 14 and 16 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be locked-in for a period of 3 years or any other period as may be prescribed under applicable law, as minimum promoter's contribution from the date of the Allotment (**Minimum Promoters' Contribution)** in the Offer and our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked-in for a period of 1 year from the date of Allotment

b. The details of the Equity Shares of face value of ₹ 10 each held by our Promoters, which shall be locked-in for a period of 3 years from the date of Allotment is set out in the following table:

Name of Promoter	No. of Equity Shares of face value of ₹ 10 each locked-in	Date of allotment / acquisition and when made fully paid up	Nature of transaction	Face value (₹)	Issue / acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

** To be updated at Prospectus stage.*

c. Our Promoters have given consent to include such number of Equity Shares of face value of ₹ 10 each held by them as disclosed above, constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Minimum Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Draft Red Herring Prospectus until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

d. The Equity Shares of face value of ₹ 10 each that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In this regard, we confirm that:

i. the Equity Shares of face value of ₹ 10 each offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares of face value of ₹ 10 each acquired during the immediately 3 preceding years:

- for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or
- resulting from a bonus issue out of revaluation reserves or unrealised profits, or against Equity Shares of face value of ₹ 10 each that are otherwise ineligible for computation of Minimum Promoters' Contribution;

ii. The Minimum Promoters' Contribution does not include Equity Shares of face value of ₹ 10 each acquired during the immediately preceding 1 year at a price lower than the price at which the Equity Shares of face value of ₹ 10 each are being offered to the public in the Offer;

iii. Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm, into a company in the preceding one year and hence, no Equity Shares of face value of ₹ 10 each have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus and, consequently, the Minimum Promoters' Contribution does not include Equity Shares of face value of ₹ 10 each issued pursuant to conversion of partnership firm or a limited liability partnership firm; and

iv. The Equity Shares of face value of ₹ 10 each held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other encumbrance**.**

21. **Details of Equity Shares held by other Shareholders which will be locked-in for 6 months**

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-offer Equity Share capital held by persons other than our Promoters will be locked-in for a period of 6 months from the date of Allotment in the Offer.

Any unsubscribed portion of the Offer for Sale will also be subject to the lock-in of 6 months from the date of Allotment, other than our Promoters which will be subject to the lock-in of 1 year from the date of Allotment.

22. **Lock-in Requirements**

Pursuant to the SEBI ICDR Regulations, the entire pre-Offer capital of our Company shall be locked-in for a period of 6 months from the date of Allotment, except for (i) the Equity Shares of face value of ₹ 10 each Allotted pursuant to the Offer; (ii) any Equity Shares of face value of ₹ 10 each held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares of face value of ₹ 10 each shall be locked in for a period of at least 6 months from the date of purchase by such shareholders; and (iii) as otherwise permitted under the SEBI ICDR Regulations. Further, any unsubscribed portion of the Offered Shares will also be locked in, as required under the SEBI ICDR Regulations.

23. **Lock-in of Equity Shares Allotted to Anchor Investors**

50% of the Equity Shares of face value of ₹ 10 each Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining portion shall be locked-in for a period of 90 days from the date of Allotment.

24. **Recording on non-transferability of Equity Shares locked-in**

In accordance with Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares of face value of ₹ 10 each locked-in are recorded by the relevant Depository.

25. **Other requirements in respect of lock-in**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares of face value of ₹ 10 each held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

a. With respect to the Equity Shares of face value of ₹ 10 each locked-in for 1 year from the date of Allotment, such pledge of the Equity Shares of face value of ₹ 10 each must be one of the terms of the sanction of the loan.

b. With respect to the Equity Shares of face value of ₹ 10 each locked-in as Minimum Promoters' Contribution for 3 years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares of face value of ₹ 10 each till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In accordance with Regulation 22 of the SEBI ICDR Regulations, Equity Shares of face value of ₹ 10 each held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares of face value of ₹ 10 each held by persons other than our Promoters prior to the Offer and locked-in for a period of 6 months, may be transferred to any other person holding Equity Shares of face value of ₹ 10 each which are locked-in along with the Equity Shares of face value of ₹ 10 each proposed to be transferred, subject to the continuation of the lock-in with the transferee and compliance with the provisions of the SEBI Takeover Regulations.

26. Our Company, our Directors and the BRLMs have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares of face value of ₹ 10 each being offered through the Offer.

27. The Equity Shares of face value of ₹ 10 each are fully paid-up and there are no partly paid-up Equity Shares of face value of ₹ 10 each as on the date of this Draft Red Herring Prospectus. All Equity Shares of face value of ₹ 10 each transferred pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

28. None of the existing Shareholders of the Company are directly/indirectly related to any of the BRLMs and/or their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992.

29. As on the date of this Draft Red Herring Prospectus, the BRLMs and its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of face value of ₹ 10 each of our Company. The BRLMs and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

30. None of our Promoters or the members of our Promoter Group will participate in the Offer except to the extent of their participation in the Offer for Sale.

31. Neither the (i) BRLMs or any associate of the BRLMs (other than mutual funds sponsored entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs); nor (ii) any person related to the Promoter or Promoter Group can apply under the Anchor Investor Portion.

32. There will be no further issue of Equity Shares of face value of ₹ 10 each whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares of face value of ₹ 10 each have been listed on the Stock Exchanges or all application monies have been refunded on account of non-listing, under-subscription etc, as the case may be.

33. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

34. No person connected with the Offer shall offer any incentive, whether directly or indirectly, in any manner whatsoever, whether in cash or kind or service or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

SECTION IV: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and an Offer for Sale by the Selling Shareholders. For details, see "*Summary of the Offer Summary*" and "*The Offer*" on pages 18 and 84, respectively.

Offer for Sale

The Offer for Sale comprises up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Selling Shareholders.

Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. Each Selling Shareholder will be entitled to proceeds from the Offer for Sale to the extent of their respective portion of the Offered Shares, after deducting their respective proportion of Offer related expenses and relevant taxes thereon.

The shareholding of the Selling Shareholders and the number of Offered Shares being offered in the Offer for Sale by each of the Selling Shareholder is set out below:

Sr. No.	Name of the Selling Shareholder	Type	Maximum number of Offered Shares	Residual number of Equity Shares of face value of ₹ 10 each
1.	Rajesh Garg	Promoter Selling Shareholder	2,045,985	1,851,130
2.	Lovlish Garg	Promoter Selling Shareholder	514,028	5,018,097
3.	Yogita Garg	Promoter Group Selling Shareholder	2,264,720	1,094,880
4.	Dinesh Kumar Garg HUF	Promoter Group Selling Shareholder	297,033	2,670,092
5.	SG Tech Engineering Private Limited	Investor Selling Shareholder	2,732,755	1,171,180

Fresh Issue

The Fresh Issue comprises an issue of up to [●] Equity Shares aggregating up to ₹ 1,100.00 million. The proceeds of the Fresh Issue, after deducting Offer related expenses, are ₹ [●] million (**Net Proceeds**).

Requirement of Funds

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

1. Funding capital expenditure requirement for:

    a. purchase and installation of new (i) equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation; (ii) roof-top solar panels at Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147301, India (**Manufacturing Facility 1**); and

    b. purchase and installation of new (i) equipment / machinery along with civil work for such installation; (ii) roof-top solar panels at Village Turan, Amloh Road, Mandi Gobindgarh, Punjab 147301, India (**Manufacturing Facility 2**).

(collectively '**Capital Expenditure**');

2. Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company; and

3. General corporate purposes.

(collectively, referred to herein as the '**Objects**')

In addition, our Company expects to receive the benefits of listing the Equity Shares of face value of ₹ 10 each on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares of face value of ₹ 10 each in India.

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing business activities and the activities proposed to be funded from the Net Proceeds.

Appraising Agency

None of the Objects of the Offer for which the Net Proceeds will be utilized have been appraised by any agency.

Net Proceeds

The details of the Net Proceeds of the Offer are summarized in the table below:

(in ₹ million)

Particulars	**Amount**
Gross Proceeds from the Fresh Issue	Up to 1,100.00
(Less) Fresh Issue related expenses[(1)(2)]	[●]
Net Proceeds[(1)]	**[●]**

[(1)] To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.
[(2)] The Offer related expenses shall vary depending upon the final offer size and the allotment of Equity Shares. For further details, please refer to heading titled 'Objects of the Offer - Offer Related Expenses' on page 149.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the below table:

(in ₹ million)

Sr. No.	**Particulars**		**Estimated utilisation from Net Proceeds**
4.	Funding capital expenditure requirement for:		
	i.	purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation at Manufacturing Facility 1	242.88
	ii.	purchase and installation of new roof-top solar panels at Manufacturing Facility 1	39.00
	iii.	purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 2	438.81
	iv.	purchase and installation of new roof-top solar panels at Manufacturing Facility 2	39.00
5.	Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company		7.00
6.	General corporate purposes[(1)(2)]		[●]
Net Proceeds			[●]

[(1)] The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceed.
[(2)] To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Proposed schedule of implementation and deployment of Net Proceeds

Our Company proposes to deploy the Net Proceeds for the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(in ₹ million)

Sr. No.	Particulars	Total estimated cost	Amount to be funded from Net Proceeds*	Estimated deployment during Fiscal 2027	Estimated deployment during Fiscal 2028
1.	Funding capital expenditure requirement for:				
	i. purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation at Manufacturing Facility 1	242.88	242.88	204.04	38.84
	ii. purchase and installation of new roof-top solar panels at Manufacturing Facility 1	39.00	39.00	39.00	-
	iii. purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 2	438.81	438.81	400.51	38.30
	iv. purchase and installation of new roof-top solar panels at Manufacturing Facility 2	39.00	39.00	39.00	-
2.	Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company	7.00	7.00	7.00	-
3.	General corporate purposes[(1)]	[●]	[●]	[●]	[●]
Net Proceeds		**[●]**	**[●]**	**[●]**	**[●]**

** Excluding GST*

[(1)] The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceed.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors including interest rates, exchange rate fluctuations and other charges, estimated costs basis valid quotations obtained from various third-party vendors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. For further details see '*Risk Factor - The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.*' on page 73. We may have to revise our funding requirements and deployment on account of a variety of factors such as financial and market conditions, macro-economic factors, change in government policy, changes in business and strategy, competition, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, 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 compliance with applicable laws. For further details, please see, '*Risk Factor - Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law'.* on page 71.

In the event that the estimated utilisation of the Net Proceeds in a scheduled fiscal year is not completely met, due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, then such unutilised amounts shall be utilised

(in part or full) in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable law, in the event of any increase in the actual utilisation of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of funding means available to us, including from internal accruals and any additional equity and/or debt arrangements.

Means of finance

Our Company proposes to fund the requirements of the Objects of the Offer from the Net Proceeds. Accordingly, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals, as required under Regulation 7(1)(e) of the SEBI ICDR Regulations. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. Please also see, '*Risk Factor - Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law.'* on page 71.

Details of the Objects

Our Board at its meeting held on September 26, 2025 approved the proposed Objects and the respective amounts proposed to be utilised from the Net Proceeds for each Object.

1. **Funding capital expenditure requirement for (a) purchase and installation of new (i) equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation and (ii) roof-top solar panels at our Manufacturing Facility 1; and (b) purchase and installation of new (i) equipment / machinery along with civil work for such installation and (ii) roof-top solar panels at our Manufacturing Facility 2**

   With over 2 decades of experience in the steel industry, we have over the years honed our product development capabilities which combined with a modern and fully integrated digital steel melting shop with ladle refining furnace (**LRF**), vacuum degassing (**VD**), foundry, heat treatment, machine shops, rolling mills and a skilled workforce, enable us to provide customized components tailored to meet the specific needs of our customers. Our precision engineered products find application across diverse industries such as automobile, steel, mining, infrastructure and construction, power, aerospace and defence and cement. Our precision engineered components for critical industrial applications comprise of (i) metal rolls, (ii) engineering castings, (iii) alloy steel products, (iv) forging ingots and forged shafts/blocks.

   According to CRISIL, India's alloy steel production witnessed robust growth from FY2020 to FY2024, with a Compound Annual Growth Rate (CAGR) of 21%. The long alloy steel segment grew at a CAGR of 15.7%, and the flat alloy steel segment saw remarkable growth at a CAGR of 53.5%. Looking forward to FY30, India's alloy steel market is poised for significant growth, with alloy long steel consumption projected to increase at a CAGR of 5-7% and alloy flat steel expected to grow at a higher CAGR of 8.5-10.5%. India's metal rolls demand saw a robust growth of 7.9% (CAGR) over fiscals 2020-2024. The metal rolls requirement for long steel products increased from ~34 KT in fiscal 2020 to ~50 KT in fiscal 2024, a CAGR of 9.7%, as share of long steel in overall steel production rose due to demand from the infrastructure and construction sectors. The demand of metal rolls for flat steel products increased from ~32 KT in fiscal 2020 to ~40 KT in fiscal 2024, logging a CAGR of ~5.9%. It is projected to increase at a CAGR of ~8-10% during fiscals 2024-2030 and reach ~132-160 KT in fiscal 2030. The castings demand in India stood at 10.3 million tons during fiscal 2020 and reached ~13.5 million tons during fiscal 2024, registering a CAGR of 6.9%. The Indian foundry market is expected to grow steadily at a rate of 9-10% during fiscals 2024-2030 to reach ~22.6-23.9 million tons in fiscal 2030.

   We intend to target customers in new end-use industries such as automobile OEM, plastic moulding, oil and gas, chemical processing, and forging industry by offering new products by leveraging our product developing capabilities. In particular, we expect to capitalise on the China+1 strategy for which the Government of India has announced various measures which according to CRISIL will benefit many sectors in India, and is also expected to increase demand for steel and, in particular, stainless steel. We aim to expand our production capacity to meet the increasing demand for our products which will enable us to take advantage of economies of scale, broaden

our geographic reach, and provide our customers with unique and value-added products and services. As the global demand for high-quality, specialized steel products continues to grow, we see opportunities to expand our product offerings and tap into new markets, particularly in the defence, infrastructure, and manufacturing sectors. By doing so, we aim to solidify our position as a leading manufacturer of steel products and drive long-term growth and success. For further details, see '*Our Business – Strategies*' at page 297.

We operate out of our 2 manufacturing facilities i.e., Manufacturing Facility 1 and Manufacturing Facility 2 (collectively, **Manufacturing Facilities**) which are equipped with capabilities to design, develop and manufacture our products. We have received various quality and standard certifications including ISO 9001-2015 for Quality Management, ISO 14001:2015 for Environment Management, ISO 450001:2018 for Occupational Health & Safety Management certificate for our Manufacturing Facilities 1.

Historically, our Company had incurred capital expenditure for purchase and installation of equipment / machinery, rooftop solar panels, and interior development for establishing other manufacturing facilities of our Company. Our capital expenditure during Fiscal 2025, Fiscal 2024, and Fiscal 2023 was ₹ 260.23 million, ₹ 153.97 million, and ₹ 169.33 million. Set out below are the details of our actual production and capacity utilisation during Fiscal 2025, Fiscal 2024, and Fiscal 2023:

Particulars	Capacity details	SMS and Foundry Division	Rolling Mill Division	Total
As of and for the financial year ended March 31, 2025	Installed capacity (in MT)	54,464	65,000	**119,464**
	Actual production (in MT)	50,526	57,353	**107,879**
	Capacity utilisation (%)	92.77	88.24	**90.30**
As of and for the financial year ended March 31, 2024	Installed capacity (in MT)	35,589	65,000	**100,589**
	Actual production (in MT)	30,418	55,559	**85,977**
	Capacity utilisation (%)	85.47	85.48	**85.47**
As of and for the financial year ended March 31, 2023	Installed capacity (in MT)	36,129	65,000	**101,129**
	Actual production (in MT)	33,141	43,461	**76,602**
	Capacity utilisation (%)	91.73	66.86	**75.75**

As certified by GATS India Ltd, Independent Chartered Engineer, pursuant to certificate dated September 26, 2025. The Independent Chartered Engineer has an experience of around 22 years.

Set out below are the details of certain recent projects undertaken by the Independent Chartered Engineer:

Sr. No.	*Summary of the projects*	*Period*
1.	*Assessed and issued installation certificate to a company which operates in the food and beverage industry for the purpose of funding from financial institution.*	*During Fiscal 2026*
2.	*Assessed and issued installation certificate to a company which operates in the pharmaceutical industry for the purpose of funding from financial institution.*	*During Fiscal 2026*
3.	*Assessed and issued installation certificate to an entity which is engaged in the business of operating an iron and steel furnace and rolling mills for the purpose of funding from financial institution.*	*During Fiscal 2026*
4.	*Associated with an entity which is engaged in the business of manufacturing of drugs for inspection and verification of machinery for the purpose of funding from financial institutions.*	*During Fiscal 2025*
5.	*Associated with an entity which is engaged in the business of manufacturing chemicals for inspection and verification of machinery for the purpose of funding from financial institutions.*	*During Fiscal 2025*

Upon purchase and installation of new equipment / machinery at Manufacturing Facility 1 and Manufacturing Facility 2 the installed capacity will increase in the manner as set out below:

Location	Particular	Existing capacity	Estimated increase in capacity
Manufacturing Facility 1	Installed capacity	54,464 MT	Nil*
	Annual solar power generating capacity	1,362 kWp	1,500 kWp
Manufacturing Facility 2	Installed capacity	65,000 MT	15,000 MT
	Annual solar power generating capacity	500 kWp	1,500 kWp

** While our installed capacity of metal rolls is expected to increase by 5,000 MT pursuant to installation of new machinery and equipment, our installed capacity of ingots is expected to decrease by 5,000 MT. Therefore, there will not be any change in the total installed capacity of our Company.*

As certified by GATS India Ltd, Independent Chartered Engineer, pursuant to certificate dated September 26, 2025.

We are also in the process of establishing additional capacity to our existing Manufacturing Facilities in Mandi Gobindgarh, Punjab in particular for engineering castings, metal rolls and billets. The project envisages upgradation of the Casting Shop, Moulding Shop and Machine Shop by equipping them with advanced CNC and VTL machines, adding more Heat Treatment Furnaces etc. We also propose to upgrade our melting and machining capacity to improve our product mix by manufacturing more of high value rolls and castings which we expect will enable us to broaden our customer base within and outside India.

As of August 31, 2025, we had an Order Book of ₹ 1,023.86 million. In line with the growth in the industry and our strategies, we propose to purchase the equipment / machinery. Set out below are details of our Order Book as on March 31, 2025, March 31, 2024, and March 31, 2023:

Particulars	As on		
	March 31, 2025	March 31, 2024	March 31, 2023
Order Book *(₹ million)*	930.03	855.45	704.07

As a part of our strategy, we plan to increase our installed capacity, optimise our product portfolio, and capitalise on growth in the metal rolls and engineering casting industry. For further details, see '*Our Business – Strategies*' at page 310. Accordingly, in line with our strategies, we propose to utilise a portion of the Net Proceeds towards:

(i) purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation at our Manufacturing Facility 1 i.e., facility situated at Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147 301; and

(ii) purchase and installation of new equipment / machinery along with civil work for such installation at our Manufacturing Facility 2 i.e., facility situated at Village Turan, Amloh Road, Mandi Gobindgargh, Punjab 147 301, India

The Manufacturing Facility 1 and Manufacturing Facility 2 are non-agricultural lands and are spread across 8 acres and 10 acres, respectively. Manufacturing Facility 1 and Manufacturing Facility 2 are owned by our Company.

The purchase of new equipment / machinery will enable us to improve the quality and checking methodology and help in getting approvals for acquisitions of new customers. Further, this will also enable our Company to optimise its product portfolio to cater to higher value products and value added products. We, currently, have a broad product portfolio comprising of alloy steel products, metal rolls, engineering casting and forging ingots and forged shafts/blocks. We intend to target customers in new end-use industries such as automobile OEM, plastic moulding, oil and gas, chemical processing, and forging industry by offering new products by leveraging our product developing capabilities.

We also propose to utilise a portion of the Net Proceeds to purchase and install new roof-top solar panels at Manufacturing Facility 1 and Manufacturing Facility 2. As part of our manufacturing process and business operations, we have currently installed rooftop solar panels of around 2 MW for long term sustainable power supply for our offices and Manufacturing Facilities to reduce carbon emissions. Our manufacturing operations require constant power supply and cost of power is a key expense item. Set out in the table below are expense for power in during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses
Cost of power	326.98	7.32	236.82	5.92	211.76	4.93

With the increase in our installed capacity and expected growth we expect that our power requirements will increase. We anticipate that the solar panels along with the solar plant should enable us to rationalise our power cost, ensure constant power supply at lower cost and further our commitment to sustainable, environmentally conscious manufacturing processes.

Further, our Company also proposes to purchase 20 computers (including computer peripherals) and 20 printers for our Manufacturing Facility 1. The computers and printers will be utilised by our new Permanent Employees which are expected to increase with the increase in operations at Manufacturing Facility 1.

Our Company proposes to utilise ₹ 281.88 million and ₹ 477.81 million out of the Net Proceeds towards funding our Capital Expenditure requirement for (a) purchase and installation of new (i) equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation and (ii) roof-top solar panels at our Manufacturing Facility 1; and (b) purchase and installation of new (i) equipment / machinery along with civil work for such installation and (ii) roof-top solar panels at our Manufacturing Facility 2, respectively. As on the date of this Draft Red Herring Prospectus, our Company has not made any payment towards funding the said Capital Expenditure. Set out below are the details of the amount proposed to be paid from the Net Proceeds for each aspect of our funding requirement of Capital Expenditure at Manufacturing Facility 1 and Manufacturing Facility 2:

(in ₹ million)

Sr. No.	Capital Expenditure	Total expense	Amount proposed to be funded from Net Proceeds*
1.	Purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation at Manufacturing Facility 1	242.88	242.88
2.	Purchase and installation of new roof-top solar panels at Manufacturing Facility 1	39.00	39.00
3.	Purchase and installation of new equipment / machinery along with civil work for such installation at Manufacturing Facility 2	438.81	438.81
4.	Purchase and installation of new roof-top solar panels at Manufacturing Facility 2	39.00	39.00
Total		**759.69**	**759.69**

* *Excluding GST*

Estimated Cost

Based on the current estimates, we propose to utilise an aggregate of ₹ 759.69 million towards funding our Capital Expenditure requirement for purchase and installation of new (i) equipment / machinery; (ii) roof-top solar panels at Manufacturing facility 1 and Manufacturing Facility 2.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds towards funding our Capital Expenditure requirement for (a) purchase and installation of new (i) equipment / machinery (including computers, printers and computer peripherals) along with civil work for such installation and (ii) roof-top solar panels at our Manufacturing Facility 1; and (b) purchase and installation of new (i) equipment / machinery along with civil work for such installation and (ii) roof-top solar panels at our Manufacturing Facility 2, are based on our management estimates, current and valid quotations from vendor, and other commercial and technical factors and the vendors have been approved pursuant to a resolution dated September 26, 2025 passed by our Board. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institutions.

Set out below is a break-up of the estimated cost:

(in ₹ million)

Capital Expenditure	Amount proposed to be funded from Net Proceeds*	Estimated deployment during	
		Fiscal 2027	Fiscal 2028
Purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) at Manufacturing Facility 1	242.88	204.04	38.84
Purchase and installation of new roof-top solar panels at Manufacturing Facility 1	39.00	39.00	-
Purchase and installation of new equipment / machinery at Manufacturing Facility 2	438.81	400.51	38.30
Purchase and installation of new roof-top solar panels at Manufacturing Facility 2	39.00	39.00	-
Total	**759.69**	**682.55**	**77.14**

* *Excluding GST*

Break up of estimated cost

Set out below is a detailed break up of each aspect of our funding requirement of Capital Expenditure at Manufacturing Facility 1 and Manufacturing Facility 2:

i. *Purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) at Manufacturing Facility 1*

The estimated expenditure towards purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) at our Manufacturing Facility 1, which we propose to deploy from the Net Proceeds is ₹ 242.88 million. The details of the estimated cost for purchase and installation of new equipment / machinery (including computers, printers and computer peripherals) at our Manufacturing Facility 1 are set out below:

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
1.	CNC Roll turning Lathe Machine (1300*5000)	Enhancing machining capacity for metal rolls	15.50	46.50	Tirupati CNC Products	May 5, 2025	1 year from the date of quotation
2.	CNC Roll turning Lathe Machine (1500*6000)	Enhancing machining capacity for metal rolls	18.80	37.60	Tirupati CNC Products	May 5, 2025	1 year from the date of quotation

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
3.	Equotip 550 Leeb portable Hardness Tester	Quality Improvement	1.37	1.37	Testing & Measuring Equipments	September 5, 2025	6 months from the date of quotation
4.	All Geared heavy duty Lathe Machine (17FT)	Enhancing machining capacity for metal rolls	2.25	9.00	Sound Machinery Makers	May 2, 2025	11 months from the date of quotation
5.	Civil work for installation of heavy duty lathe Machine (17FT)	Civil Work for Installation	0.15	0.60	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
6.	All Geared heavy Duty Lathe Machine (21FT)	Enhancing machining capacity for metal rolls	2.54#	10.14#	Sound Machinery Makers	May 2, 2025	11 months from the date of quotation
7.	Civil work for installation of Heavy Duty Lathe Machine (21FT)	Civil Work for Installation	0.20	0.80	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
8.	All Geared heavy Duty Lathe Machine (24FT)	Enhancing machining capacity for metal rolls	2.99	29.90	Sound Machinery Makers	May 2, 2025	11 months from the date of quotation
9.	Civil work for installation of Heavy Duty Lathe Machine (24FT)	Civil Work for Installation	0.20	2.00	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
10.	All Geared heavy Duty Lathe Machine (28FT)	Enhancing machining capacity for metal rolls	3.95	39.50	Sound Machinery Makers	May 2, 2025	11 months from the date of quotation
11.	Civil work for installation of Heavy Duty Lathe Machine (28FT)	Civil Work for Installation	0.25	2.50	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
12.	Measuring Instruments like Micrometer, Vernier height guage, Vernier Calliper	Quality Improvement	1.24	1.24	B.S.W. Tools Corporation	May 31, 2025	Valid till April 30, 2026
13.	Optical Emission Spectro meter and its calibrations and installation	Quality Improvement	7.64	7.64	Spectro Analytical Instruments GmbH^	April 5, 2025	Valid till December 31, 2025
14.	Olympus Upright	Quality Improvement	2.37	2.37	IR Technology	September 15, 2025	180 days from the

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
	Metallurgical Microscope				Services Pvt. Ltd.		date of quotation
15.	Element Handheld XRF Analyzer	Quality Improvement	1.23#	6.17#	IR Technology Services Pvt. Ltd.	September 1, 2025	180 days from the date of quotation
16.	ERP Upgradation Add on: Fixed Asset management, Plant Maintenance	Cost reduction	2.88	2.88	Lighthouse Info Systems Pvt Ltd	September 10, 2025	6 months from the date of quotation
17.	Computer-Desktops, monitors, UPS and Printers	Cost reduction	2.00	2.00	Central Computer and CCTV	June 2, 2025	1 year from the date of quotation
18.	Shed upgradations with Aluminium Sheet	Enhancing the life of existing sheds	9.61	9.61	Mahawar Alloys	March 31, 2025	1 year from the date of quotation
19.	Articulated Hydraulic Crane	Faster turnaround times	1.72	1.72	Crane Kraft India Pvt Ltd	September 5, 2025	6 months from the date of quotation
20.	Scrap Lifting circular Electro Magnet	Improving the scrap feeding process	2.58	2.58	Crystal Magnets	May 22, 2025	12 months year from the date of quotation
21.	Double beam E.O.T. Crane 50MT / 25MT Span-20 MTR	Faster turnaround times	14.65	14.65	Asia Cranes Pvt Ltd	April 10, 2025	1 year from the date of quotation
22.	Double beam E.O.T. Crane 20 M.T Span-21 MTRS	Faster turnaround times	6.75	6.75	Asia Cranes Pvt Ltd	April 10, 2025	1 year from the date of quotation
23.	Double beam E.O.T. Crane 15 M.T Span-21 MTR	Faster turnaround times	5.35	5.35	Asia Cranes Pvt Ltd	April 10, 2025	1 year from the date of quotation
Total				**242.88#**			

* *Excluding GST*

Rounded-off to the next integer

As certified by GATS India Ltd, Independent Chartered Engineer, pursuant to certificate dated September 26, 2025.

^ *calculated after converting amounts at the exchange rate of 1 USD = ₹ 88.13, as of September 15, 2025*

ii. Purchase and installation of new roof-top solar panels at Manufacturing Facility 1

The estimated expenditure towards purchase and installation of new roof-top solar panels at our Manufacturing Facility 1, which we propose to deploy from the Net Proceeds is ₹ 39.00 million. The details of the estimated cost for purchase and installation of new roof-top solar panels at our Manufacturing Facility 1 are set out below:

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
1.	Rooftop Solar Power Plant 1500kWp	Reduction in units of power	39.00	39.00	Solidus Techno Power Pvt. Ltd.	June 4, 2025	1 year from the date of quotation
Total				**39.00**			

* *Excluding GST*

As certified by GATS India Ltd, Independent Chartered Engineer, pursuant to certificate dated September 26, 2025.

iii. Purchase and installation of new equipment / machinery at Manufacturing Facility 2

The estimated expenditure towards purchase and installation of new equipment / machinery at our Manufacturing Facility 2, which we propose to deploy from the Net Proceeds is ₹ 438.81 million. The details of the estimated cost for purchase and installation of new equipment / machinery at our Manufacturing Facility 2 are set out below:

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
1.	2000 Ton Hydraulic open die Forging press	Increased production, improved quality, reduction in outsourcing cost	95.18	95.18	Henan Jinzhen Equipment Co. Ltd^	June 2, 2025	12 months from the date of the quotation
2.	Forging Manipulator (15MT) for 2000 Ton Forging Press	Increased production, improved quality, reduction in outsourcing cost	42.61	42.61	Adhvika ForgeTech Pvt Ltd	September 1, 2025	6 months from the date of the quotation
3.	1 T fully hydraulic open die forging hammer	Increased production, improved quality, reduction in outsourcing cost	15.82	15.82	Henan Jinzhen Equipment Co. Ltd^	June 2, 2025	12 months from the date of the quotation
4.	Forging Manipulator (5MT) for 1T Forging Hammer	Increased production, improved quality, reduction in outsourcing cost	17.45	17.45	Henan Jinzhen Equipment Co. Ltd^	June 2, 2025	12 months from the date of the quotation
5.	4T Fully hydraulic forging hammer	Increased production, improved quality, reduction in	34.68	34.68	Adhvika ForgeTech Pvt Ltd	September 1, 2025	6 months from the date of the quotation

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
		outsourcing cost					
6.	Forging Manipulator (10MT) for 4T Forging Hammer	Increased production, improved quality, reduction in outsourcing cost	36.71	36.71	Adhvika ForgeTech Pvt Ltd	September 1, 2025	6 months from the date of the quotation
7.	Pre Engineered Building (Shed)-Multispan Lean to with Mezzanine Building	Faster turnaround time	12.12	12.12	Premier Bars Ltd.	September 5, 2025	Valid till March 30, 2026
8.	Civil work for installation of Forging Hammers, Manipulators and Press	Civil Work for Installation	16.40	16.40	SHIVA TILE WORKS	April 25, 2025	1 year from the date of the quotation
9.	Reheating Furnace for 1T hammer	Increased production, improved quality, reduction in outsourcing cost	2.50	2.50	Sai Ram Ispat	September 10, 2025	12 months from the date of the quotation
10.	Reheating Furnace for 3-4T hammer	Increased production, improved quality, reduction in outsourcing cost	4.00	4.00	Sai Ram Ispat	September 10, 2025	12 months from the date of the quotation
11.	Bogie Hearth re-heating Furnace for 2000T power press machine (forging application)	Increased production, improved quality, reduction in outsourcing cost	12.40	12.40	Sai Ram Ispat	September 10, 2025	1 year from the date of the quotation
12.	Optical Emission Spectro meter and its calibrations and installation	Quality checking and Improvement	7.64	7.64	SPECTRO Analytical Instruments GmbH^	April 5, 2025	Valid till December 31, 2025
13.	Double beam E.O.T. Crane 15 M.T Span-30 MTR	Faster turnaround times	8.55	8.55	Asia Cranes Pvt Ltd	April 10, 2025	1 year from the date of the quotation
14.	Gas Fired bell type Furnace (Heat Treatment) Inside Size: 10MTR X 5MTR X 2.5MTR	Increased Production	30.00	30.00	Omex Furnaces	May 3, 2025	1 year from the date of the quotation
15.	Civil work for installation of HT furnace Size: 10MTR X 5MTR X 2.5MTR	Civil Work for Installation	2.50	2.50	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million)*	Total Cost (in ₹ million)*	Name of the Vendor	Date of Quotation	Validity of the Quotation
16.	Gas fired bell type Furnace (Heat Treatment) Inside Size: 7MTR X 3MTR X 2.5MTR	Increased Production	22.50	22.50	Omex Furnace	May 3, 2025	1 year from the date of the quotation
17.	Civil work for installation of HT furnace Size:7MTR X 3MTR X 2.5MTR	Civil Work for Installation	2.00	2.00	Shiva Tile Works	April 25, 2025	1 year from the date of the quotation
18.	Gas fired bell type Furnace (Heat Treatment) Inside Size :6MTR X 3MTR X 2.5MTR	Increased Production	20.00	20.00	Omex Furnace	May 3, 2025	1 year from the date of the quotation
19.	Civil work for installation of HT furnace Size :6MTR X 3MTR X 2.5MTR	Civil Work for Installation	1.80	1.80	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
20.	Gas fired bell type Furnace (Heat Treatment) Inside Size: 5MTR X 3MTR X 2.5MTR	Increased Production	15.00	15.00	Omex Furnace	May 3, 2025	1 year from the date of the quotation
21.	Civil work for installation of HT furnace Size: 5MTR X 3MTR X 2.5MTR	Civil Work for Installation	1.50	1.50	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
22.	Round Bar Straightening Machine	Reduces wastage	8.50	8.50	Ajit Machine Tools Industries	April 14, 2025	1 year from the date of the quotation
23.	Civil work for installation of Straightening Machine	Civil Work for Installation	0.30	0.30	Sonu Civil Construction	April 30, 2025	12 months from the date of the quotation
24.	Reduction Gear Box and Pinion Gear Box	Increased Production	8.91	8.91	Avtar Foundry & Workshop	May 15, 2025	1 year from the date of the quotation
25.	High pressure descaling Pump	Quality Improvement	2.39	2.39	Nutech Jetting Equipments India Pvt. Ltd.	September 3, 2025	6 months from the date of the quotation
26.	Double beam E.O.T. Crane 15T	Faster turnaround times	4.55	9.10	Asia Cranes Pvt. Ltd.	May 16, 2025	1 year from the date of the quotation
27.	Double beam E.O.T. Crane 10 T	Faster turnaround times	3.75	3.75	Asia Cranes Pvt. Ltd.	May 16, 2025	1 year from the date of the quotation
28.	Double beam E.O.T. Crane 5T	Faster turnaround times	2.10	2.10	Asia Cranes Pvt. Ltd.	May 16, 2025	1 year from the date of the quotation
29.	Double beam E.O.T. Crane 7.5T	Faster turnaround times	2.40	2.40	Asia Cranes Pvt. Ltd.	May 16, 2025	1 year from the date of the quotation
Total				**438.81**			

[*] *Excluding GST*
As certified by GATS India Ltd, Independent Chartered Engineer, pursuant to certificate dated September 26, 2025.
[^] *calculated after converting amounts at the exchange rate of 1USD = ₹ 88.13, as of September 15, 2025*

iv. Purchase and installation of new roof-top solar panels at Manufacturing Facility 2

The estimated expenditure towards purchase and installation of new roof-top solar panels at our Manufacturing Facility 2, which we propose to deploy from the Net Proceeds is ₹ 39.00 million. The details of the estimated cost for purchase and installation of new roof-top solar panels at our Manufacturing Facility 2 are set out below:

Sr. No.	Description/Type of Equipment / Machinery	Purpose	Details in relation to Quotations Obtained				
			Cost per Unit (in ₹ million) [*]	Total Cost (in ₹ million) [*]	Name of the Vendor	Date of Quotation	Validity of the Quotation
1.	Rooftop Solar Power Plant 1500kWp	Reduction in units of power	39.00	39.00	Solidus Techno Power Pvt. Ltd.	June 4, 2025	1 year from the date of the quotation
Total				**39.00**			

[*] *Excluding GST*
As certified by GATS India Ltd, Independent Chartered Engineer, pursuant to certificate dated September 26, 2025.

We will be placing the purchase orders with vendors based on the competitive cost and proposed delivery schedule of the new equipment / machinery along with civil work for such installation and roof-top solar panels. The vendors for supply of such new equipment / machinery and roof-top solar panels have been shortlisted on the basis of historical performance of the new equipment / machine supplied by them and other factors such as overall cost, after sales services and support capability of the supplier to assist us during installation and provision of post-sale services.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. We have not entered into any definitive agreements with any of these vendors and we cannot assure you that the same vendors would be engaged to eventually supply the solar panels or the new equipment / machinery or at the same costs. We will place orders for the equipment and machinery (including computers, printers and computer peripherals) for which orders are yet to be placed as per the schedule of implementation for the Manufacturing Facility 1 and Manufacturing Facility 2. Further, the purchase of new equipment / machinery and roof-top solar panels and the proposed deployment will be subject to final terms and conditions agreed with the supplier including finalisation of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore other options including utilising our internal accruals.

The amount of capital expenditure towards purchase of new equipment / machinery and roof-top solar panels are based on the quotations which are valid for the periods mentioned above. The costs indicated above may vary due to *inter alia* cost escalation, unforeseen delays, unanticipated expenses, regulatory changes, technological changes and changes in the industry. Also, see *'Risk Factors -. We have not yet placed orders in relation to the capital expenditure for the purchase of equipment and which are proposed to be funded out of the Net Proceeds. If there is any delay in placing the orders, or in the event the vendor is not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected'* on page 55.

2. Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company

Our Company has entered into various financing arrangements with banks, which include term loans and working capital facilities, including fund based and non-fund based borrowings. For details of our Company's outstanding financial indebtedness, see '*Financial Indebtedness*' on page 445.

As of August 31, 2025, our total sanctioned borrowing was ₹ 828.30 million and our outstanding balance of our secured fund based borrowings (long term and short term, but excluding vehicle loans) was ₹ 135.94 million, respectively. Our Company proposes to utilise an estimated amount of ₹ 7.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain fund based borrowings availed by our Company. Our Company may avail further loans after the date of this Draft Red Herring Prospectus. Given the nature of these borrowings and the terms of repayment or pre-payment, 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 our existing borrowings or avail of additional credit facilities. In terms of our Company's borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds. If the Net Proceeds are insufficient for payment of pre-payment penalty, interest or other related costs, as applicable, such payment shall be met through the internal accruals of our Company. If at the time of the Red Herring Prospectus, any of the below-mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company and details of such borrowings will be included in the Red Herring Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of certain of our borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ 7.00 million. We believe that such repayment/ pre-payment will help deleverage our Company, i.e. assist us in maintaining an optimal debt-equity ratio, improve our return on capital employed, and enable utilisation of our Company's internal accruals for further investment in our Company's business growth and expansion. For details of the aforementioned ratios, see '*Basis for the Offer Price - Key Performance Indicators* on page 154.

The selection of borrowings proposed to be repaid and/or prepaid out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our Company's ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the Offer; (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

For the purposes of the Offer, our Company has intimated and has obtained the necessary consents from our lenders, as is respectively required under the relevant facility documentation for undertaking activities for the Offer, and for the deployment of the Net Proceeds towards the Objects. The following table provides details of sanctioned fund based borrowings of our Company as at August 31, 2025 aggregating ₹ 690.82 million and an outstanding amount aggregating ₹ 102.46 million, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds:

(***Reminder of this page has been intentionally left blank***)

Sr. No.	Name of the lender	Date of the facility agreement / sanction letter	Date of first disbursal	Nature of the borrowing	Purpose of the loan	Amount sanctioned (in ₹ million)	Amount outstanding as on August 31, 2025 (in ₹ million)	Rate of Interest (% per annum)	Tenor and repayment schedule	Prepayment terms / penalty, if any	Whether loan is for capital expenditure (Yes/ No)	Instalments / EMI due for the current Fiscal
1.	HDFC Bank Limited	January 7, 2025	December 20, 2022	Business banking working capital term loan	For purchase of machinery and equipment for Manufacturing Facility 1	6.51	5.43	7.60	36 Months	Nil	Yes	7
2.	HDFC Bank Limited	January 7, 2025	February 24, 2022	Business banking working capital term loan	For purchase of machinery and equipment for Manufacturing Facility 2	5.77	4.59	7.67	30 Months	Nil	Yes	7

As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.
Note: In accordance with paragraph 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Statutory Auditors, by way of their certificate dated September 26, 2025, have confirmed that our Company has utilised the loans for the purposes for which they were availed.

(***Reminder of this page has been intentionally left blank***)

3. General Corporate Purpose

We propose to utilise up to ₹ [●] million of the Net Proceeds towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include meeting ongoing general corporate exigencies, expenses incurred in the ordinary course of business including towards our working capital requirement, expenses incurred in the ordinary course of business, strategic initiatives, building dedicated team for sales and management, meet the expenses of the initial public offering of Equity Shares of the Company, business development initiatives, meeting ongoing general corporate contingencies, other expenses *inter alia* salaries, employee welfare activities, administration, insurance, repairs and maintenance, payment of taxes and duties, working capital requirements and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. However, our Company will not utilise the funds earmarked towards general corporate purposes raised through the Fresh Issue for any of the other Objects. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) during subsequent Fiscal. Further, our Company will utilise the amount in accordance with applicable law. In the event if any amount from Net Proceed remains unutilised including the estimated offer expenses amount, then the same can be used towards General Corporate Purpose provided the total amount towards general corporate purposes is not exceeding 25% of the Gross Proceeds and the same shall be subject to noting taken by our Board.

In case of variations in the actual utilisation of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by our Board. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any, and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilisation of Net Proceeds and increasing or decreasing expenditure for a particular Object, i.e., the utilisation of Net Proceeds.

Offer Related Expenses

Except for (i) listing fees which shall be solely borne by our Company, and (ii) fees for respective counsel to the Selling Shareholders, which shall be solely borne by the respective Selling Shareholders, costs, fees and expenses with respect to the Offer shall be shared by the Selling Shareholders, on a pro rata basis, in proportion to the number of Equity Shares offered and sold by each of the Selling Shareholders through the Offer for Sale. All expenses incurred in effecting the Offer, shall be borne by our Company and the Selling Shareholders on a pro rata basis, in proportion to the number of Equity Shares offered and sold by each of the Selling Shareholders through the Offer for Sale, in accordance with Applicable Law, including in case of failure of the Offer. All the expenses relating to the Offer shall be paid by our Company in the first instance. Each Selling Shareholder shall, severally and not jointly, reimburse our Company for any expenses in relation to the Offer paid by our Company on behalf of the respective Selling Shareholder. Each Selling Shareholder will bear the securities transaction tax in accordance with Applicable Law on their respective Equity Shares sold in the Offer for Sale, which will be deducted from the Public Offer Account. For any Offer related expenses that are not paid from the Public Offer Account, our Company shall pay the expenses, and such expenses will be reimbursed by the Selling Shareholders for their respective portion of such costs. The applicable securities transaction tax in relation to the Offered Shares shall be deducted from the proceeds of the Offer for Sale for the purpose of onward depositing with the Indian revenue authorities in such manner as may be set forth in the Share Escrow Agreement, or the cash and sponsor bank agreement, or as may be directed by the Book Running Lead Managers in writing.

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the Book Running Lead Managers, fees payable to legal counsel, experts appointed in relation to the Offer, fees payable to the Registrar to the Offer and Sponsor Bank(s), Escrow Collection Bank to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to the Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses, fees paid to SEBI, Stock Exchanges, Depositories and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up for the estimated Offer expenses is as follows:

Sr. No.	Activity	Estimated amount[(1)] (in ₹ million)	As a % of total estimated offer Expenses[(1)]	As a % of Offer Size[(1)]
1.	BRLMs fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs, Sponsor Banks, [(2)(3)(4)(5)]	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Other expenses:			
	(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]
	(iv) Fee payable to legal counsel, the statutory auditor, independent chartered engineers, Industry report provider and other advisors	[●]	[●]	[●]
	(v) Miscellaneous^	[●]	[●]	[●]
Total estimated Offer Expenses		[●]	[●]	[●]

^Includes fee payable to independent company secretary, monitoring agency etc.

(1) Offer expenses include applicable taxes, where applicable. Offer expenses will be finalised on determination of Offer Price and incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and, Non-Institutional Bidders, which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price. No additional uploading/ processing fees shall be payable by our Company to the SCSBs on the Bid cum Application Forms directly procured by them.*

(3) SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-Syndicate members), CRTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) and submitted to the SCSBs for blocking as follows:

*Portion for Retail Individual Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

**Based on valid ASBA Forms*

Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Bidders with bids above ₹500,000 would be ₹ [●] plus applicable taxes, per valid application.

(4) Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Bidders(using the UPI Mechanism), and Non-Institutional Bidders which are procured by the members of the Syndicate (including their sub-Syndicate members), CRTAs, CDPs or for using 3 in 1 type accounts-linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate members) would be as follows:

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

The selling commission payable to the Syndicate/ Sub-Syndicate Member will be determined

(i) For Retail Individual Bidders and Non-Institutional Bidders (up to ₹500,000), on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

(ii) For Non-Institutional Bidders (above ₹ 500,000), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-Syndicate member.

The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(5) Uploading charges

(i) Payable to members of the Syndicate (including their sub-Syndicate members), on the applications made using 3 in 1 accounts, would be ₹[●] plus applicable taxes, per valid application bid by the Syndicate member (including their sub-Syndicate members)

(ii) Bid uploading charges payable to the SCSBs on the portion of QIB and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/CRTAs/ CDPs and submitted to SCSB for blocking and uploading would be ₹[●] per valid application (plus applicable taxes)

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE

The Bidding/uploading charges payable to the Syndicate/sub-Syndicate members, CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Selling commission payable to the registered brokers, CRTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Bidders and Non-Institutional Bidders: ₹[●] per valid ASBA Form (plus applicable taxes)

Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs (uploading charges)	*₹[●] per valid application (plus applicable taxes)*
Sponsor Bank (Processing fee) – [●]	*₹[●] per valid application (plus applicable taxes)* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its*

	duties under applicable SEBI circulars, agreements and other applicable laws

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (to the extent applicable).

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary. All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above in this section, our Company may, in accordance with applicable law, temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, for the necessary duration, as may be approved by our Board.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

As on the date of this Draft Red Herring Prospectus, Our Company has not raised any bridge loans from any bank or financial institution which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

Since the Fresh Issue size is in excess of ₹ 1,000 million, our Company will appoint a credit rating agency as the monitoring agency to monitor utilisation of the Gross Proceeds, prior to filing of the Red Herring Prospectus with the RoC, in accordance with Regulation 41 of the SEBI ICDR Regulation. Our Audit Committee and the monitoring agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, specifying the purpose for which Gross Proceeds have been utilised, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee in accordance with the applicable laws.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act, and Regulation 59 and Schedule XX of the SEBI ICDR Regulations, any material deviation in the Objects of the Offer will require our Company to obtain the approval of 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 (**Postal Ballot Notice**) shall specify the prescribed details and be published in accordance with the Companies Act. The Postal Ballot Notice shall simultaneously be published in

the newspapers, one in English and one in Punjabi, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to the Companies Act, our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such material deviation of the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act and provisions of Schedule XX of the SEBI ICDR Regulations.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, our Group Company, Key Managerial Personnel or Senior Management. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with our Directors, our Promoters, the members of our Promoter Group, Key Managerial Personnel, Senior Management or our Group Company in relation to the utilization of the Net Proceeds of the Offer. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Fresh Issue as set out above.

BASIS FOR THE OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares of face value of ₹ 10 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value of Equity Shares and the Cap Price is [●] times the face value Equity Shares. The Cap Price shall be minimum [●] % of the Floor Price and shall not exceed [●]% of the Floor Price.

Investors should also see '*Risk Factors', 'Our Business', 'Management's Discussion and Analysis of Financial Condition and Results of Operations',* '*Restated Financial Statements'* and '*Summary of Financial Information*' on pages 36, 293, 449, 371 and 86, respectively to have an informed view before making an investment decision.

Qualitative Factors

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

1. Long standing relationships with a large number of customers spread across a wide array of end-user industries with stringent qualification processes;

2. Diversified product portfolio catering to varied application industries;

3. Strategically located Manufacturing Facilities with advanced equipment and robust overlapping processes which enables high capacity utilisation; and

4. Robust presence in the steel manufacturing industry leveraging on the legacy and experience of our Promoters and strong domain expertise of our management team

For further details, see '*Our Business – Strengths'* on page 310.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements prepared in accordance with the SEBI ICDR Regulations. For further details, see *'Restated Financial Statements'* on page 371.

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

1. Basic and Diluted Earnings Per Shares (EPS) of Equity Share of face value of ₹ 10 each (as adjusted for changes in capital, if any):

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2025	13.56	13.56	3
Financial Year 2024	10.07	10.07	2
Financial Year 2023	8.29	8.29	1
Weighted Average	11.52	11.52	-

Notes:

1. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015. The above statement should be read with significant accounting policies and notes on Restated Financial Statements.*
   Our Company has issued 31,231,460 Equity Shares of Rs. 10/- each as fully paid bonus shares in the ratio of 4 Equity Shares of face value of ₹ 10 each for every Equity Shares held on record date i.e., May 1, 2025.
2. *Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
3. *Basic Earnings per share is Net profit/ (loss) after tax, as restated attributable to equity shareholders for the year divided by weighted average number of Equity Shares of face value of ₹ 10 each outstanding during the year/ period as per Ind AS 33 – Earnings per share*
4. *Diluted Earnings per share is Net profit / (loss) after tax, as restated attributable to equity shareholders for the year divided by weighted average number of diluted Equity Shares of face value of ₹ 10 each outstanding during the year/ period as per Ind AS 33 – Earnings per share.*

The face value of Equity Shares of our Company is ₹ 10

2. Price/ Earning (P/E) ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of face value of ₹ 10 each:

Particulars	P/E at the Floor Price*	P/E at the Cap Price*	P/E at Offer Price (No. of times)*
Based on Basic EPS for Financial Year ended March 31, 2025	**[●]**	[●]	[●]
Based on Diluted EPS for Financial Year ended March 31, 2025	**[●]**	[●]	[●]

***** *To be updated in the Prospectus.*

3. Industry P/E Ratio*

Particulars P/E	Industry P/E
Highest	59.92
Lowest	5.75
Average	30.98

[*] *Notes:*

***Peer Group includes Jayaswal Neco Industries Limited, AIA Engineering Limited, Steelcast Limited, RHI Magnesita India Limited, Vardhman Special Steel Limited, IFGL Refractories Limited and Kennametal India Limited. P/E Ratio has been computed based on the closing market price of equity shares on September 15, 2025, on www.bseindia.com, divided by the Diluted EPS as on March 31, 2025 as disclosed in audited consolidated/ standalone financials submitted by the respective entity with the stock exchange for the financial year ended March 31, 2025.*

4. Average Return on Net Worth (RoNW):

Particulars	RoNW[*] (%)	Weight
Financial Year 2025	21.92	3
Financial Year 2024	18.48	2
Financial Year 2023	24.10	1
Weighted Average[*]	21.14	-

Notes:

[*] *Return on Net Worth is calculated as Net Profit after tax, for the year divided by Net worth as at the end of the year.*

[**] *The weighted average is a product of RoNW and respective assigned weight dividing the resultant by total aggregate weight.*

5. Net Asset Value (NAV) per Equity Share of face value of ₹ 10 each:

NAV per Equity Share	NAV (₹)
As on March 31, 2025	61.89
After the Offer	
- At Floor Price	[●][*]
- At Cap Price	[●][*]
At the Offer Price	[●][*]

***** *To be updated in the Prospectus.*

Notes:

1. *Net Asset Value per Equity Share is calculated as Net Worth at the end of the year divided by weighted average number of Equity Shares. Weighted average number of Equity Shares of face value of ₹ 10 each represents the shares used for computing Basic EPS.*

6. Comparison of Accounting Ratios with Listed Industry Peers

Our Company has identified the entities set out below as comparable peers as each of the identified peer operates in similar industry in which we operate and may have similar offerings or end use applications.

Name of Company	Latest financial year	Face value (₹ per share)	P/E[(2)]	Basic EPS (₹)	Diluted EPS (₹)	RoNW (%)[(3)]	NAV[(1)] (₹ per share)	EV / EBITDA	Total income (₹ in million)
Behari Lal Engineering Limited	Standalone	10	NA	13.56	13.56	21.92	61.89	NA	5,079.12
Jayaswal Neco Industries Limited	Standalone	10	59.92	1.16	1.16	4.71	24.47	9.78	60,123.60
AIA Engineering Limited	Consolidated	2	27.49	113.14	113.14	15.28	743.36	19.66	46,190.72
Steelcast Limited	Standalone	5	5.75	35.67	35.67	24.09	161.00	3.76	3,806.14
RHI Megnesita India Limited	Consolidated	1	48.04	9.81	9.81	5.06	193.64	19.82	37,005.66
Vardhman Special Steel Limited	Consolidated	10	24.42	11.40	11.37	11.67	97.62	13.43	17,935.23
IFGL Refractories Limited	Consolidated	10	20.27	11.93	11.93	3.88	307.17	7.01	16,704.42
Kennametal India Limited	Standalone	Information not available							

Source:

1. *All the financial information for the Company mentioned above is based on the Restated Financial Statements for the year ended March 31, 2025.*
2. *All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the respective companies for the year ended March 31, 2025, available on the website of Stock Exchanges.*

Notes:

1. *Net Asset Value per Equity Share is calculated as net worth as at the end of the relevant period/year divided by the aggregate of total number of equity shares and instruments entirely equity in nature outstanding at the end of such year.*
2. *P/E Ratio has been computed based on the closing market price of equity shares on September 15, 2025, on www.bseindia.com, divided by the Diluted EPS as on March 31, 2025.*
3. *RoNW is computed as net profit after tax and minority interest divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus. In case the net worth is negative for a particular year, the same has not been considered.*

7. Key Performance Indicators

The table below sets forth the details of our Key Performance Indicators that our Company considers have a bearing for arriving at the basis for Offer Price. The Key Performance Indicators set forth below have been approved by our Audit Committee pursuant to the resolution at its meeting dated September 26, 2025 and certified by our September 26, 2025, on behalf of the management of our Company by way of certificate dated September 26, 2025. Our management and the Audit Committee have confirmed that the Key Performance Indicators disclosed below have been identified and disclosed in accordance with the SEBI ICDR Regulations and other applicable laws. Further, our Company's Audit Committee has on September 26, 2025, taken on record that other than the Key Performance Indicators set out below, our Company has not disclosed any other Key Performance Indicators during the 3 years preceding the date of this Draft Red Herring Prospectus to its investors.

Additionally, the Key Performance Indicators have been certified by the Statutory Auditors of our Company, M/s Ashwani & Associates, Chartered Accountants, pursuant to a certificate dated September 26, 2025, who

hold a valid certificate issued by the Peer Review Board of the ICAI. The Statutory Auditor certificate dated September 26, 2025, has been included in the section '*Material Contracts and Documents for Inspection*' of this Draft Red Herring Prospectus.

The KPIs disclosed below have been used historically by our Company to understand and analyse the operational and the financial performance, which in result, helps it in analysing the growth of various verticals in comparison to its listed peers, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Offer Price have been disclosed below.

The Bidders can refer to the below-mentioned Key Performance Indicators, being a combination of financial and operational Key Performance Indicators, to make an assessment of our Company's performances and make an informed decision.

In addition to the above, the Audit Committee also noted that other than the below mentioned KPIs, there are certain items/ metrics which have been included in the business description, management discussion and analysis or financials in this DRHP but these are not considered to be a performance indicator or deemed to have a bearing on the determination of Offer Price. For details, see 'Our Business', 'Management's Discussion and Analysis of Financial Condition and Results of Operations' and 'Restated Consolidated Financial Statements' on pages 293, 449, and 371, respectively.

The management of our Company has prepared a note that inter-alia takes on record GAAP, Non-GAAP and operational measures identified as KPIs along with the rationale for the classification of each of these KPIs under GAAP, Non-GAAP and operational measures along with the rationale for such classification. The note was placed before the members of our Audit Committee prior to the resolution dated September 26, 2025, approving and confirming the KPIs disclosed below.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year, for a duration of 1 year after the date of listing of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges or till the utilisation of the Offer Proceeds as per the disclosure made in the section "*Objects of the Offer*" at page 133, whichever is later, or for such other duration as required under the SEBI ICDR Regulations. Any changes in these KPIs in the aforementioned period, will be explained by our Company. The ongoing KPI will continue to be certified by a member of an expert body as specified under the SEBI ICDR Regulations.

A list of our Key Performance Indicators for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, is set out below:

Particulars	Units	As of and for the financial year ended March 31, 2025	As of and for the financial year ended March 31, 2024	As of and for the financial year ended March 31, 2023
Financial Parameters				
Revenue from operations	(₹ in million)	5,079.12	4,460.84	4,629.28
EBITDA	(₹ in million)	813.12	609.86	493.44
EBITDA Margin	%	16.01	13.67	10.66
PAT	(₹ in million)	529.51	357.91	288.01
PAT Margin	%	10.43	8.02	6.22
Cash Profit	(₹ in million)	799.66	591.79	463.91
Net worth	(₹ in million)	2,416.16	1,936.59	1,194.92
Net Debt	(₹ in million)	51.18	407.43	616.99
Debt Equity Ratio	In times	0.03	0.21	0.53
ROCE (%)	%	28.24	21.98	22.60
ROE (%)	%	24.31	22.83	29.63
Operational Parameters				
Inventory Days	In days	42	34	25

Particulars	Units	As of and for the financial year ended March 31, 2025	As of and for the financial year ended March 31, 2024	As of and for the financial year ended March 31, 2023
Debtor days	In days	56	67	52
Creditor days	In days	26	12	12
Cash Conversion Cycle	In days	72	89	65
Fixed Asset Turnover ratio	In times	6.79	7.02	8.36
Sales volume	MT	89,103.48	82,042.18	69,084.00
Sales Volume Growth	%	8.61	18.76	51.84
EBITDA per ton	(₹)	9,125.51	7,433.60	7,142.67
Debt/ EBITDA	X times	0.09	0.68	1.29
Asset Turnover/ Gross Block	X times	5.30	5.93	7.82

Notes:

*1.**Revenue from Operations** – Income earned from the company's principal business activities during the period, net of returns, trade discounts, and applicable GST, excluding other income from non-operating sources.*

*2. **EBITDA** – The sum of profit before tax, depreciation and amortisation, and finance cost*

*3. **EBITDA Margin (%)** – EBITDA expressed as a percentage of revenue from operations*

*4. **PAT (Profit After Tax)** – Net profit for the period after deducting all expenses, depreciation, amortisation, finance costs, and taxes from total income.*

*5. **PAT Margin (%)** – PAT expressed as a percentage of revenue from operations; shows the net profitability after all costs and taxes.*

*6. **Cash Profit** – Calculated as the sum of PAT, depreciation, amortisation, and adjusting other non-cash incomes and expenses.*

*7. **Net Worth** – The sum of equity share capital and reserves & surplus (excluding revaluation reserves), reduced by accumulated losses and deferred/miscellaneous expenditure not written off*

*8. **Net Debt** – Total borrowings (long-term and short-term) less cash and cash equivalents*

*9. **Debt-Equity Ratio** – Total debt (long term and short term borrowings) divided by net worth*

*10. **ROCE (Return on Capital Employed) (%)** – Return on Capital Employed (ROCE) is calculated as Earnings Before Interest and Taxes (EBIT) divided by average capital employed.*

*11. **ROE (Return on Equity) (%)** – PAT expressed as a percentage of average shareholder equity.*

*12. **Inventory Days** – (Average inventory ÷ Cost of goods sold) × 365; represents the average number of days inventory is held before being sold.*

*13. **Debtor Days** – (Average trade receivables ÷ Revenue from operations) × 365; indicates the average number of days taken to collect payments from customers.*

*14. **Creditor Days** – (Average trade payables ÷ Cost of goods sold) × 365; indicates the average number of days the company takes to pay its suppliers.*

*15. **Cash Conversion Cycle (Days)** – Inventory days plus debtor days minus creditor days*

*16. **Fixed Asset Turnover Ratio** – Revenue from operations divided by average tangible fixed assets;*

*17. **Sales Volumes (KTPA / MTPA)** – Physical quantity of goods sold during the reporting period, expressed in tonnes per annum.*

*18. **Sales Volume Growth (%)** – ((Current period sales volume – Previous period sales volume) ÷ Previous period sales volume) × 100*

*19. **EBITDA per ton (₹)** – EBITDA divided by total sales volume in tonnes;*

*20. **Debt / EBITDA** – Total debt divided by EBITDA; reflects the number of years required to repay debt from operating earnings*

*21. **Asset Turnover / Gross Block** – Revenue from operations divided by gross block (total cost of fixed assets before depreciation)*

Explanation for the Key Performance Indicators metrics

The list of our Key Performance Indicators along with brief explanation of the relevance of the Key Performance Indicators for the business operations of our Company is set out below:

KPI	Explanation
Financial KPIs	

KPI	Explanation
Revenue from operations	Management and stakeholders closely monitor revenue from operations as it represents the core sales generated by the company's primary business activities. An increasing trend indicates business growth and market acceptance of products/services, while a decline could signal market challenges or operational issues. This KPI is fundamental for assessing the company's top-line performance and overall market position.
EBITDA	Management uses EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) to understand the operational profitability of the business, excluding the impact of financing, accounting, and tax decisions. Stakeholders view EBITDA as a good proxy for cash flow generated from core operations, helping them compare the performance of companies with different capital structures or depreciation policies. It provides a clearer picture of a company's operating efficiency.
EBITDA Margin (%)	This ratio, calculated as EBITDA divided by revenue, is crucial for assessing the company's operational efficiency and cost control. Management aims to improve or maintain a healthy EBITDA margin to demonstrate effective management of operating expenses relative to sales. Stakeholders use it to compare a company's profitability against its peers or industry benchmarks, indicating its ability to convert revenue into operational profit.
PAT	Profit After Tax (PAT), also known as net income, is the ultimate measure of a company's profitability available to shareholders. Management focuses on PAT to ensure the business is generating sufficient profits after all expenses, including taxes. Stakeholders consider PAT as a key indicator of financial health and the company's ability to retain earnings or distribute dividends. Consistent growth in PAT reflects strong financial performance.
PAT Margin (%)	PAT Margin, or Net Profit Margin, reveals how much profit a company makes for every rupee of revenue after all expenses, including taxes, are accounted for. Management strives to optimize this margin through efficient operations and cost management. Stakeholders use it to evaluate a company's overall efficiency and its ability to turn sales into bottom-line profit, making it a critical measure for long-term investment decisions.
Cash Profit	Cash Profit, often referring to profit before non-cash expenses like depreciation and amortization, provides a truer picture of the cash-generating ability of the business from its operations. Management uses this to assess the company's ability to fund its working capital needs and capital expenditures without relying excessively on external financing. Stakeholders consider it vital for understanding the sustainability of a company's operations and its capacity for future growth.
Net worth	Net worth, or shareholder's equity, represents the total assets of a company minus its total liabilities. Management views net worth as a measure of the company's intrinsic value and its financial strength, indicating the cumulative earnings retained by the business. Stakeholders, particularly investors, see net worth as the book value of the company and a key indicator of its long-term financial stability and capacity to absorb losses.
Net Debt	Net Debt is calculated as total debt minus cash and cash equivalents. Management closely monitors net debt to assess the company's overall financial leverage and its ability to service its debt obligations. Stakeholders use this KPI to evaluate the company's financial risk profile; a high net debt could indicate excessive reliance on borrowing and potential difficulties in meeting financial commitments, especially during economic downturns.
Debt Equity Ratio	This ratio compares a company's total debt to its shareholder's equity. Management uses it to maintain an optimal capital structure that balances financial risk and the cost of capital. Stakeholders, including creditors and investors, assess this ratio to understand the extent to which the company's operations are financed by debt versus equity, with a higher ratio generally indicating higher financial risk.
ROCE (%)	Return on Capital Employed (ROCE) measures how efficiently a company is using its capital (both debt and equity) to generate profits. Management uses ROCE to evaluate the effectiveness of its investment decisions and resource allocation. Stakeholders see ROCE as a critical indicator of operational efficiency and a company's ability to generate returns from the total capital invested in its business.
ROE (%)	Return on Equity (ROE) measures the profitability of a company in relation to the equity invested by its shareholders. Management aims for a high ROE to demonstrate efficient use of shareholder funds in generating profits. Stakeholders, especially equity investors, consider ROE as a primary indicator of how well the company is generating returns on their investment, influencing their decision to buy, hold, or sell shares.
Operational KPIs	
Inventory Days	Inventory Days indicates the average number of days a company holds its inventory before selling it. Management strives to optimize inventory days to minimize carrying costs and avoid obsolescence. Stakeholders look at this KPI to assess inventory management efficiency; a high number might suggest slow-moving inventory or overstocking, while a very low number could risk stockouts.
Debtor days	Debtor Days represents the average number of days it takes for a company to collect payments from its customers after a sale. Management focuses on reducing debtor days to improve cash

KPI	Explanation
	flow and working capital management. Stakeholders view this KPI as an indicator of the effectiveness of credit control and collection policies; high debtor days can tie up capital and indicate potential credit risks.
Creditor days	Creditor Days measures the average number of days a company takes to pay its suppliers. Management strategically manages creditor days to optimize cash flow, balancing timely payments with leveraging supplier credit. Stakeholders analyze this KPI to understand a company's payment practices and its ability to manage its short-term liabilities, a longer period potentially indicating better cash flow management or, conversely, financial strain.
Cash Conversion Cycle (No of days)	The Cash Conversion Cycle (CCC) measures the time it takes for a company to convert its investments in inventory and accounts receivable into cash, after accounting for the time it takes to pay accounts payable. Management aims to shorten the CCC to improve liquidity and free up cash for other uses. Stakeholders see a shorter CCC as a sign of efficient working capital management and strong operational performance.
Fixed Asset Turnover ratio	This ratio measures how efficiently a company is using its fixed assets (like property, plant, and equipment) to generate sales. Management uses it to assess the productivity of its long-term investments. Stakeholders look at this KPI to understand if the company is effectively utilizing its assets to produce revenue, with a higher ratio generally indicating better asset utilization.
Sales Volumes (KTPA/MTPA)	Sales Volumes, typically measured in Metric Tonnes Per Annum (MTPA) by the management, directly reflects the quantity of goods sold. Management tracks this to understand production and sales capacities, market demand, and to plan future operations. Stakeholders use this physical measure to gauge the company's scale of operations and market penetration, offering a tangible sense of growth beyond just revenue figures.
Volume Growth (%)	Volume Growth indicates the percentage increase or decrease in the quantity of goods sold over a period. Management analyzes this to understand the true underlying growth of the business, independent of price fluctuations. Stakeholders use volume growth as a clear indicator of market acceptance, expansion, and the sustainability of the company's competitive position, often preferring it over mere revenue growth in certain contexts.
EBITDA per ton	EBITDA per ton measures the operational profitability generated for each unit of product sold (e.g., per ton of steel or cement). Management uses this highly specific metric to assess the efficiency of its production processes and cost management on a per-unit basis, which is particularly relevant in commodity-intensive industries. Stakeholders find this useful for direct comparisons between companies in the same industry, highlighting operational efficiency at the granular level.
Debt/ EBITDA	This ratio compares a company's total debt to its EBITDA. Management uses it as a key indicator of the company's ability to service its debt from its operating earnings, often a critical metric in loan covenants. Stakeholders, especially lenders and investors, closely monitor this ratio to assess the company's financial leverage and its capacity to repay its debt obligations, with a lower ratio generally indicating lower financial risk.
Asset Turnover on Gross Block	This KPI, often interpreted as Fixed Asset Turnover divided by Gross Block (total cost of fixed assets before depreciation), indicates how effectively a company is utilizing its total capital assets to generate revenue. Management uses it to ensure that its investments in assets are yielding proportional sales. Stakeholders evaluate this to understand the productivity of the company's asset base and its efficiency in generating sales from its total fixed capital employed.

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

In evaluating our business, we consider and use certain Key Performance Indicators, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these Key Performance Indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Statements. We use these Key Performance Indicators to evaluate our financial and operating performance. Some of these Key Performance Indicators are not defined under Ind AS and are not presented in accordance with Ind AS. These Key Performance Indicators have limitations as analytical tools.

Further, these Key Performance Indicators may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these Key Performance Indicators 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 in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry

because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the GAAP measures and to not rely on any single financial or operational metric to evaluate our business.

(***Remainder of this page has been intentionally left blank***)

8. Comparison with listed industry peers

While our listed peers (mentioned below), like us, operate in similar industry and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence. Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

Particulars	Unit	Behari Lal Engineering Limited			AIA Engineering Limited		
		(Restated Financial Statements)			(Consolidated Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI							
Revenue from operations[1]	(₹ in million)	5,079.12	4,460.84	4,629.28	42,874.44	48,537.61	49,087.69
EBITDA[2]	(₹ in million)	813.12	609.86	493.44	14,808.44	16,166.69	14,751.80
EBITDA Margin (%)[3]	%	16.01	13.67	10.66	34.54	33.31	30.05
PAT[4]	(₹ in million)	529.51	357.91	288.01	10,600.74	11,369.92	10,565.00
PAT Margin (%)[5]	%	10.43	8.02	6.22	24.73	23.42	21.52
Cash Profit[6]	(₹ in million)	799.66	591.79	463.91	13,198.02	15,200.09	14,218.95
Net worth[7]	(₹ in million)	2,416.16	1,936.59	1,194.92	69,271.98	66,577.42	56,913.26
Net Debt[8]	(₹ in million)	51.18	407.43	616.99	934.59	2,807.33	1,950.75
Debt Equity Ratio[9]	In times	0.03	0.21	0.53	0.07	0.07	0.09
ROCE (%)[10]	%	28.24	21.98	22.60	19.72	22.48	24.01
ROE (%)[11]	%	24.31	22.83	29.63	15.61	18.41	20.22
Operational KPI							
Inventory Days[12]	In days	42.00	34.00	25.00	96.00	93.00	93.00
Debtor days[13]	In days	56.00	67.00	52.00	72.00	68.00	65.00
Creditor days[14]	In days	26.00	12.00	12.00	36.00	57.00	41.00
Cash Conversion Cycle [15]	In days	72.00	89.00	65.00	132.00	104.00	117.00
Fixed Asset Turnover ratio[16]	In times	6.79	7.02	8.36	4.03	4.90	5.86

Particulars	Unit	Behari Lal Engineering Limited (Restated Financial Statements)			AIA Engineering Limited (Consolidated Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Sales Volumes[17]	MT	89,103.48	82,042.18	69,084.00	Information not available		
Volume Growth (%)[18]	%	8.61	18.76	51.84	Information not available		
EBITDA per ton[19]	(₹)	9,125.51	7,433.60	7,142.67	Information not available		
Debt/ EBITDA[20]	X times	0.09	0.68	1.29	0.33	0.29	0.34
Asset Turnover on Gross Block[21]	X times	5.30	5.93	7.82	2.35	2.92	3.45

Particulars	Unit	RHI Magnesita India Limited (Consolidated Financial Information)			Steelcast Limited (Standalone Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI							
Revenue from operations[1]	(₹ in million)	36,745.00	37,811.04	27,262.67	3,761.65	4,098.15	4,768.34
EBITDA[2]	(₹ in million)	5,051.50	5,782.50	3,747.51	1,105.24	1,198.83	1,153.14
EBITDA Margin (%)[3]	%	13.75	15.29	13.75	29.38	29.25	24.18
PAT[4]	(₹ in million)	2,025.13	(1,001.09)	(4,656.52)	721.98	750.02	705.25
PAT Margin (%)[5]	%	5.51	(2.65)	(17.08)	19.19	18.30	14.79
Cash Profit[6]	(₹ in million)	4,623.52	5,295.29	3,444.41	1,117.63	1,182.87	1,126.87
Net worth[7]	(₹ in million)	39,986.15	38,457.21	28,910.35	3,374.33	2,792.51	2,234.30

Particulars	Unit	RHI Magnesita India Limited (Consolidated Financial Information)			Steelcast Limited (Standalone Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net Debt[8]	(₹ in million)	2,829.92	4,366.24	12,668.84	0.34	0.78	233.94
Debt Equity Ratio[9]	In times	0.09	0.13	0.55	0.00	0.00	0.11
ROCE (%)[10]	%	6.99	1.15	(10.61)	29.28	36.74	43.64
ROE (%)[11]	%	5.16	(2.97)	(32.21)	24.09	30.71	37.92
Operational KPI							
Inventory Days[12]	In days	161.00	149.00	164.00	49.00	49.00	54.00
Debtor days[13]	In days	73.00	79.00	106.00	93.00	76.00	59.00
Creditor days[14]	In days	102.00	93.00	183.00	126.00	149.00	116.00
Cash Conversion Cycle (No of days)[15]	In days	132.00	135.00	87.00	16.00	(24.00)	(3.00)
Fixed Asset Turnover ratio[16]	In times	5.70	5.65	5.70	2.69	2.93	4.96
Sales Volumes (KTPA/MTPA)[17]	MT	Information not available			12,564.00	13,102.00	15,740.00
Volume Growth (%)[18]	%	Information not available			(4.00)	(17.00)	31.00
EBITDA per ton[19]	(₹)	Information not available			87,969.12	91,499.47	73,261.75
Debt/ EBITDA[20]	X times	0.75	0.84	4.24	0.00	0.00	0.17
Asset Turnover on Gross Block[21]	X times	3.90	4.33	4.44	1.54	1.76	2.33

Particulars	Unit	Jayaswal Neco Industries Limited (Standalone Financial Information)			Vardhman Special Steel Limited (Consolidated Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025*	Fiscal 2024^	Fiscal 2023^
Financial KPI							
Revenue from operations[1]	(₹ in million)	59,997.32	59,335.51	63,428.59	17,644.08	16,613.59	17,349.91
EBITDA[2]	(₹ in million)	9,523.20	10,452.30	8040.20	1,771.58	1,722.60	1,800.80
EBITDA Margin (%)[3]	%	15.87	17.62	12.68	10.04	10.37	10.38
PAT[4]	(₹ in million)	1,126.79	2,099.83	2,268.74	930.88	916.28	1,004.48
PAT Margin (%)[5]	%	1.88	3.54	3.58	5.28	5.52	5.79
Cash Profit[6]	(₹ in million)	3,946.70	5,560.74	2,978.69	1,583.51	1,555.48	1,614.85
Net worth[7]	(₹ in million)	23,914.02	23,092.25	20,581.49	7,979.18	7193.50	6422.10
Net Debt[8]	(₹ in million)	25,974.62	31,728.05	31,231.41	1,095.47	2,914.37	3,580.19
Debt Equity Ratio[9]	In times	1.16	1.44	1.66	0.15	0.10	0.18
ROCE (%)[10]	%	13.30	14.36	10.18	17.47	17.19	18.87
ROE (%)[11]	%	4.86	9.72	11.66	12.27	13.46	16.78
Operational KPI							
Inventory Days[12]	In days	83.00	86.00	72.00	72.00	79.00	71.00
Debtor days[13]	In days	25.00	28.00	27.00	46.00	49.00	44.00
Creditor days[14]	In days	32.00	33.00	26.00	33.00	39.00	33.00
Cash Conversion Cycle (No of days)[15]	In days	76.00	81.00	73.00	85.00	89.00	82.00
Fixed Asset Turnover ratio[16]	In times	1.81	1.75	1.75	5.58	5.38	5.97

Particulars	Unit	Jayaswal Neco Industries Limited (Standalone Financial Information)			Vardhman Special Steel Limited (Consolidated Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025*	Fiscal 2024^	Fiscal 2023^
Sales Volumes (KTPA/MTPA)[17]	MT	1,792,776.00	1,672,228.00	15,14,947.00	Information not available		
Volume Growth (%)[18]	%	7.21	10.38	-	Information not available		
EBITDA per ton[19]	(₹)	5,311.99	6,250.52	5,307.25	Information not available		
Debt/ EBITDA[20]	X times	2.87	3.07	4.25	0.68	0.48	0.63
Asset Turnover on Gross Block[21]	X times	1.05	1.06	1.14	3.21	3.25	3.74

** On consolidated basis*
^ On standalone basis

Particulars	Unit	IFGL Refractories Limited (Consolidated Financial Information)			Kennametal India Limited (Standalone Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI							
Revenue from operations[1]	(₹ in million)	16,530.27	16,394.89	13,865.03	Information not available	10,999.00	10,771.00
EBITDA[2]	(₹ in million)	1,460.30	1,731.40	1,660.90	Information not available	2,006.00	1,251.00
EBITDA Margin (%)[3]	%	8.83	10.56%	11.98	Information not available	18.24	11.61
PAT[4]	(₹ in million)	429.80	816.70	792.10	Information not available	1,105.00	877.00
PAT Margin (%)[5]	%	2.60	4.98	5.71	Information not available	10.05	8.14
Cash Profit[6]	(₹ in million)	11,546.65	18,911.74	15,794.74	Information not available	1,994.00)	1,612.00

Particulars	Unit	IFGL Refractories Limited (Consolidated Financial Information)			Kennametal India Limited (Standalone Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net worth[7]	(₹ in million)	11,070.14	10,720.53	10,050.46	Information not available	7,344.00)	6,901.00
Net Debt[8]	(₹ in million)	1,527.52	1,044.42	1,033.43	Information not available	(1,101.00)	(868.00)
Debt Equity Ratio[9]	In times	0.19	0.16	0.16	Information not available	0.00	0.00
ROCE (%)[10]	%	6.10	9.25	9.90	Information not available	19.00	17.00
ROE (%)[11]	%	3.94	7.86	15.76	Information not available	15.00	13.00
Operational KPI							
Inventory Days[12]	In days	138.00	116.00	125.00	Information not available	86.00	87.00
Debtor days[13]	In days	76.00	76.00	82.00	Information not available	54.00	48.00
Creditor days[14]	In days	100.00	75.00	95.00	Information not available	44.00	42.00
Cash Conversion Cycle (No of days)[15]	In days	114.00	117.00	112.00	Information not available	96.00	93.00
Fixed Asset Turnover ratio[16]	In times	4.67	5.82	6.31	Information not available	3.91	4.43
Sales Volumes (KTPA/MTPA)[17]	MT	Information not available			Information not available	Information not available	
Volume Growth (%)[18]	%	Information not available			Information not available	Information not available	

Particulars	Unit	IFGL Refractories Limited (Consolidated Financial Information)			Kennametal India Limited (Standalone Financial Information)		
		Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
EBITDA per ton[19]	(₹)	Information not available			Information not available	Information not available	
Debt/ EBITDA[20]	X times	1.46	1.01	0.96	Information not available	0.01	0.02
Asset Turnover on Gross Block[21]	X times	2.46	2.90	2.91	Information not available	2.26	2.58

Source:

1. All the financial information for the Company mentioned above is based on the Restated Financial Statements for the year ended March 31, 2025.

2. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the respective companies for the year ended March 31, 2025, available on the website of Stock Exchanges

Notes:

*1.**Revenue from Operations** – Income earned from the company's principal business activities during the period, net of returns, trade discounts, and applicable GST, excluding other income from non-operating sources.*

*2. **EBITDA** – The sum of profit before tax, depreciation and amortisation, and finance cost*

*3. **EBITDA Margin (%)** – EBITDA expressed as a percentage of revenue from operations*

*4. **PAT (Profit After Tax)** – Net profit for the period after deducting all expenses, depreciation, amortisation, finance costs, and taxes from total income.*

*5. **PAT Margin (%)** – PAT expressed as a percentage of revenue from operations; shows the net profitability after all costs and taxes.*

*6. **Cash Profit** – Calculated as the sum of PAT, depreciation, amortisation, and adjusting other non-cash incomes and expenses.*

*7. **Net Worth** – The sum of equity share capital and reserves & surplus (excluding revaluation reserves), reduced by accumulated losses and deferred/miscellaneous expenditure not written off*

*8. **Net Debt** – Total borrowings (long-term and short-term) less cash and cash equivalents*

*9. **Debt-Equity Ratio** – Total debt (long term and short term borrowings) divided by net worth*

*10. **ROCE (Return on Capital Employed) (%)** – Return on Capital Employed (ROCE) is calculated as Earnings Before Interest and Taxes (EBIT) divided by average capital employed.*

*11. **ROE (Return on Equity) (%)** – PAT expressed as a percentage of average shareholder equity.*

*12. **Inventory Days** – (Average inventory ÷ Cost of goods sold) × 365; represents the average number of days inventory is held before being sold.*

*13. **Debtor Days** – (Average trade receivables ÷ Revenue from operations) × 365; indicates the average number of days taken to collect payments from customers.*

14. ***Creditor Days*** *– (Average trade payables ÷ Cost of goods sold) × 365; indicates the average number of days the company takes to pay its suppliers.*

15. ***Cash Conversion Cycle (Days)*** *– Inventory days plus debtor days minus creditor days*

16. ***Fixed Asset Turnover Ratio*** *– Revenue from operations divided by average tangible fixed assets;*

17. ***Sales Volumes (KTPA / MTPA)*** *– Physical quantity of goods sold during the reporting period, expressed in tonnes per annum.*

18. ***Sales Volume Growth (%)*** *– ((Current period sales volume – Previous period sales volume) ÷ Previous period sales volume) × 100*

19. ***EBITDA per ton (₹)*** *– EBITDA divided by total sales volume in tonnes;*

20. ***Debt / EBITDA*** *– Total debt divided by EBITDA; reflects the number of years required to repay debt from operating earnings*

21. ***Asset Turnover / Gross Block*** *– Revenue from operations divided by gross block (total cost of fixed assets before depreciation)*

***** *"Information not available" – has been used for placeholders where data has not been disclosed in the respective audited financial statements of the peers.*

(***Remainder of this page has been intentionally left blank***)

9. Weighted average cost of acquisition (WACA), Floor Price and Cap Price

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

Our Company has not issued any Equity Shares of face value of ₹ 10 each or convertible securities or vested any employee stock options during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-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 the transaction	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹)
February 1, 2025	2,949,000	10	NA	Allotment of Equity Shares pursuant to Scheme of Amalgamation	Other than cash	Nil
Total	**2,949,000**					**Nil**

b. *The price per share of our Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)*

There has been no secondary sale/ acquisitions of Equity Shares of face value of ₹ 10 each or any convertible securities, excluding gifts of Equity Shares, where the Promoter or members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the board of directors of the Company are a party to the transaction (excluding gifts) during the 18 months preceding the date of this Draft Red Herring 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-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

For further details in relation to the share capital history of our Company, see '*Capital Structure*' on page 103.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (i.e., ₹ ([●])*	Cap Price (i.e., ₹ ([●])*
Primary issuances	Nil	[●] times	[●] times
Secondary transactions	Not applicable	[●] times	[●] times

* *To be updated at Prospectus stage*

10. Justification for Basis for the Offer Price

Detailed explanation for Offer Price/Cap Price being [●] times of WACA of past 5 primary issuances /secondary transactions of Equity Shares of face value of ₹ 10 each (as disclosed above) along with our Company's Key Performance Indicators and financial ratios for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and in view of the external factors which may have influenced the pricing of the issue, if any.

[●]*

**To be included upon finalisation of Price Band*

11. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares of face value of ₹ 10 each through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with '*Risk Factors*', '*Our Business*', '*Restated Financial Statements*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' on pages 36, 293, 371, and 449, respectively. The trading price of the Equity Shares of face value of ₹ 10 each could decline due to the factors mentioned in '*Risk Factors*' on page 36 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors,
Behari Lal Engineering Limited
Salani-village, Amloh Road,
Mandi Gobindgarh
Punjab-147301, India

Emkay Global Financial Services Limited
7th Floor, The Ruby, Senapati Bapat Marg,
Dadar - West
Mumbai - 400 028,
Maharashtra, India

And

Systematix Corporate Services Limited
The Capital, A-wing, No. 603-606, 6th Floor,
Plot No. C-70, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051,
Maharashtra, India

(Emkay Global Financial Services Limited and Systematix Corporate Services Limited are individually referred to as '**Book Running Lead Manager/BRLM**' and collectively referred to as '**Book Running Lead Managers/BRLMs'**)

Sub: Proposed initial public offering of equity shares of face value ₹ 10 each (Equity Shares) by Behari Lal Engineering Limited (Company) through a fresh issue of Equity Shares and an offer for sale of the Equity Shares by the Selling Shareholders (Offer).

Dear Sir/ Madam,

We, M/s Ashwani & Associates, Chartered Accountants, the statutory auditor of the Company, have been requested by the Company to verify the possible special tax benefits available to the Company and its shareholders, under the applicable tax laws in India, in connection with the Offer.

We hereby confirm that the enclosed statement in **Annexure A** (the "**Statement**"), which has been prepared by the Company and initialed by the Company and us, states the possible special direct tax and indirect tax benefits available to the Company and its shareholders under the provisions of:

- The Income-tax Act, 1961, as amended by the Finance Act, 2025 read with the rules, circulars and notifications issued thereunder (the "**IT Act**"), applicable for the Financial Year 2025–26, relevant to the Assessment Year 2026–27;

- The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, and respective State Goods and Services Tax Acts, 2017 (collectively, the "**GST Laws**"), read with the rules, circulars and notifications issued thereunder;

- The Customs Act, 1962 and the Customs Tariff Act, 1975; and

- The Foreign Trade Policy 2015–2020, as amended and extended by subsequent notifications and applicable for FY 2025–26 (collectively, the "**Taxation Laws**").

Several of these benefits are dependent on the Company, its Shareholder, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders face in the future, the Company, its Shareholders may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (**SEBI ICDR Regulations**). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its Shareholders the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders, and do not cover any general tax benefits available to them. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

The benefits stated in **Annexure A** of this certificate, for possible special tax benefits available to the Company, its Shareholders are not exhaustive, and the preparation of the contents stated is the responsibility of the Company. We are informed that this statement is only intended 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 distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

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

a. The Company, its Shareholders, will continue to obtain these benefits in the future;

b. The conditions prescribed for availing of the benefits have been/would be met with; and

c. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

We hereby consent to the extracts of this certificate being used in the draft red herring prospectus (**DRHP**) to be filed with the Securities and Exchange Board of India (**SEBI**), the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE** and together with the BSE, the **Stock Exchanges**), and the red herring prospectus **(RHP)** and the prospectus (**Prospectus** and together with the DRHP and the RHP, the '**Offer Documents'**) to be filed with the Registrar of Companies, Punjab at Chandigarh (**RoC**) and submitted to the SEBI and the Stock Exchanges in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable

law. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the Stock Exchanges.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India (**ICAI**) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI and in accordance with 'Guidance Note on Reports in Company Prospectuses' (Revised 2019). We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We confirm that the information in this certificate is true, fair, complete, accurate, not misleading and correct and there is no untrue statement of a material fact or omission which could render the contents of this certificate misleading in its form or context. This certificate is issued for the purpose of the Offer and this certificate or any extracts or annexures thereof, can be used, in full or part, for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer.

We also consent to the inclusion of this letter as a part of "*Material Contracts and Documents for Inspection*" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Offer Closing Date.

We hereby consent to this certificate being disclosed by the Book Running Lead Managers, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authorities or (ii) in seeking to establish a defence in connection with, or to avoid any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the equity shares of the Company. We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

This certificate may be relied on by the Book Running Lead Managers, their respective affiliates and the legal counsel in relation to the Offer and to assist the Book Running Lead Managers in the context of due diligence procedures that the Book Running Lead Managers have to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours sincerely,
For M/s Ashwani & Associates
Chartered Accountants

Firm Registration No: 000497N

Aditya Kumar
Partner
Membership No.: 506955
Date: September 26, 2025
Place: Ludhiana
UDIN: 25506955BMMICS9688

Cc:
Legal Counsel to the Offer
Bharucha & Partners
13th Floor, Free Press House,
Free Press Journal Marg,
Nariman Point,
Mumbai, Maharashtra 400021

Annexure A

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS UNDER INCOME TAX ACT, 1961 (ACT), THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, THE INTEGRATED GOODS AND SERVICES TAX ACT, 2017 AND THE APPLICABLE STATES' GOODS AND SERVICES TAX ACTS (hereinafter referred to as the "TAX LAWS").

The information provided below sets out the possible special direct tax benefits available to the Company and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

Benefits under Direct Tax Laws available to the Company

Benefits under Income Tax Act, 1961 ("the Act"):

I. ***Special tax benefits available to the Company***

a. Lower corporate tax rates on income of domestic companies - Section 115BAA of the Act

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from FY 2019-20 relevant to AY 2020-21 and the option once exercised shall apply to subsequent assessment years. The concessional rate of 22% is subject to the company not availing any of the following specified tax exemptions/incentives under the Act:

- Deduction u/s 10AA: Tax holiday available to units in a Special Economic Zone;
- Deductions available under the Chapter VI-A except under section 80JJAA and section 80M;
- Deduction u/s 32(1)(iia): Additional Depreciation;
- Deduction u/s 32AD: Investment allowance;
- Deduction u/s 35AD: Deduction for capital expenditure incurred on specified businesses;
- Deduction under certain sub-sections/clauses of Section 35: Expenditure on scientific research.

The total income of a company availing the concessional rate of 22% is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its

return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

Note: The Company has opted to apply section 115BAA of the Act.

b. Deductions in respect of employment of new employees - Section 80JJAA of the Act

As per section 80JJAA, where a company is subject to tax audit under section 44AB of the Act and derives income from business, shall be allowed deduction of an amount equal to 30% of additional employee cost incurred in the course of business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employee cost is incurred.

Additional employee cost means the total emoluments paid or payable to additional employees employed in the previous year through an account payee cheque or account payee bank draft or by use of electronic clearing system through a bank account or through such other electronic mode as may be prescribed. These employees should also have total salary not more than Rs. 25,000/- per month and should also be member of a recognised provident fund.

The deduction under section 80JJAA would continue to be available to the company even where the company opts for the lower tax rate of 22% under the provisions of section 115BAA of the Act (as discussed above).

Benefits under Direct Tax Laws available to the Shareholders

II. ***Special tax benefits available to the Shareholders***

Dividend income will be subject to tax in the hands of domestic shareholders at the applicable slab rate/ corporate tax rate (plus applicable surcharge and cess). In case of non-resident shareholders, tax will be applicable at 20% (plus applicable surcharge and cess) or as per applicable Double Taxation Avoidance Agreement ("DTAA").

Long term capital gains exceeding ₹ 1,25,000 on transfer of listed equity shares on which securities transactions tax has been paid will be subject to tax in the hands of shareholders as per the provisions of section 112A of the act at 12.5% (plus applicable surcharge and cess). the benefit of indexation of costs shall not be available. as per section 2(29AA) read with section 2 (42A) of the act, a listed equity share is treated as a long-term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

Short term capital gains arising on transfer of shares on which securities transactions tax has been paid will be subject to tax in the hands of shareholders as per the provisions of section 111A of the act at 20% (plus applicable surcharge and cess).

Non-resident shareholders including foreign portfolio investors may choose to be governed by the provisions of Double Taxation Avoidance Agreement, to the extent they are more beneficial and subject to provision of the prescribed documents.

Except the above and apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits for the shareholders.

Benefits under Indirect Tax Laws available to the Company

The Statement of possible tax benefits enumerated below is per the Central Goods and Services Tax Act, 2017 ("CGST Act"), the Integrated Goods and Services Tax Act, 2017 ("IGST Act"), the Union Territory Goods and Services Tax Act, 2017 ("UTGST Act"), respective State Goods and Services Tax Act, 2017

("SGST Act") (All these legislations collectively referred to as "GST Legislation"), the Customs Act, 1962, the Customs Tariff Act, 1975 ("Customs Tariff Act") and Foreign Trade Policy (collectively referred toas "Indirect Tax") as amended from time to time and as applicable for financial year 2025-26.

I. ***Special tax benefits available to the Company***

The Company has obtained registration under the GST law in the State of Punjab. The Company undertakes export of goods from Punjab. Under the GST regime, supplies of goods which are exported outside India are treated as zero-rated supplies. Such zero-rated supplies of goods are allowed to be made under either of the following options:

- Without payment of Integrated Goods and Services Tax ("IGST") under Bond/ Letter of Undertaking (LUT). Under this scenario, the exporter is allowed to claim refund of unutilized input tax credit.

- With payment of IGST. Under this scenario, the exporter is allowed to claim refund of IGST paid on exports.

The Company is undertaking export of goods without payment of integrated tax under LUT. However, no refund is applied since the Company is able to utilise input tax credit for payment of domestic output tax liability.

With respect to export of goods, the Company is availing the benefit of remission of duties, taxes and other levies at the Central, State and local level which are borne on the exported goods manufactured in India under Remission of Duties and Taxes on Exported Products ('RODTEP') scheme issued through Notification no. 19/2015-2020 dated 17 August 2021 by Ministry of Commerce & Industry under Department of Commerce.

The Company is availing the benefit of duty drawback with respect to duty paid on import of materials used in manufacture of export goods as per Duty Drawback scheme under 75 of Custom Act, 1962.

The Company is entitled to avail the benefit of duty-free import of input as per Advance Authorization Scheme under the Foreign Trade Policy, 2023, subject to export obligations. However, the Company has not applied for such scheme due to commercial viability.

The Company is entitled to avail the benefit of duty-free import of capital goods as per Export Promotion Capital Goods Scheme under the Foreign Trade Policy, 2023, subject to export obligations. However, the Company has not applied for such scheme due to commercial viability.

The Company under the Industrial and Business Development Policy 2017 as an alloy steel manufacturer, is eligible for several tax benefits and incentives which include the following

S. No.	Nature of Incentive	Extent of Incentive
1.	Investment subsidy by way of reimbursement of net SGST on intra-state sales	100% of net SGST for 10 years with a cap of 125% of FCI.
2.	Exemption from Electricity Duty	100% exemption for 10 years
3.	Exemption/ reimbursement from Stamp Duty	100% exemption/ reimbursement from Stamp Duty on purchase or lease of land and building
4.	Exemption from CLU/EDC	100% exemption from CLU/EDC
5.	Exemption from Property Tax	100% exemption for 10 years

II. ***Special tax benefits available to the shareholders***

The shareholders of the Company are not entitled to any special tax benefits under indirect tax laws.

Notes

i. We have not considered the general tax benefits available to the Company and its shareholders of the Company.

ii. The above statement of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

iii. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

iv. This statement does not discuss any tax consequences in any country outside India of an investment in the shares of the Company. The shareholders/investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

v. The tax benefits discussed in this statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the 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 their participation in the issue.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We will not be liable to any other person in respect of this statement.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market data used in this section has been obtained from the report titled 'Assessment of metal rolls and engineering castings industry' dated September 2025 prepared and issued by CRISIL, appointed by us pursuant to letter dated December 23, 2024, and exclusively commissioned and paid for by us in connection with the Offer has been reproduced in full. No material information has been left out while extracting the CRISIL Report. Unless otherwise indicated, all financial, operations, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CRISIL was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, members of Senior Management or the BRLMs. A copy of the CRISIL Report is available on the website of our Company at https://www.beharilalengineering.com/quality-assurance.php. The data used in industry sources and publications may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. The data used in the industry sources and publication involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the 'Risk Factors' on page 36. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The investors should not construe any of the contents set out in this section as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

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Global macroeconomic overview

GDP trend

Growth had contracted 2.7% in 2020 as the Covid-19 pandemic disrupted economic activity. However, the contraction was considerably lower than estimated by the International Monetary Fund (IMF), with a strong rebound in manufacturing, shift to new ways of working, and fiscal and policy support arresting a further slide[1].

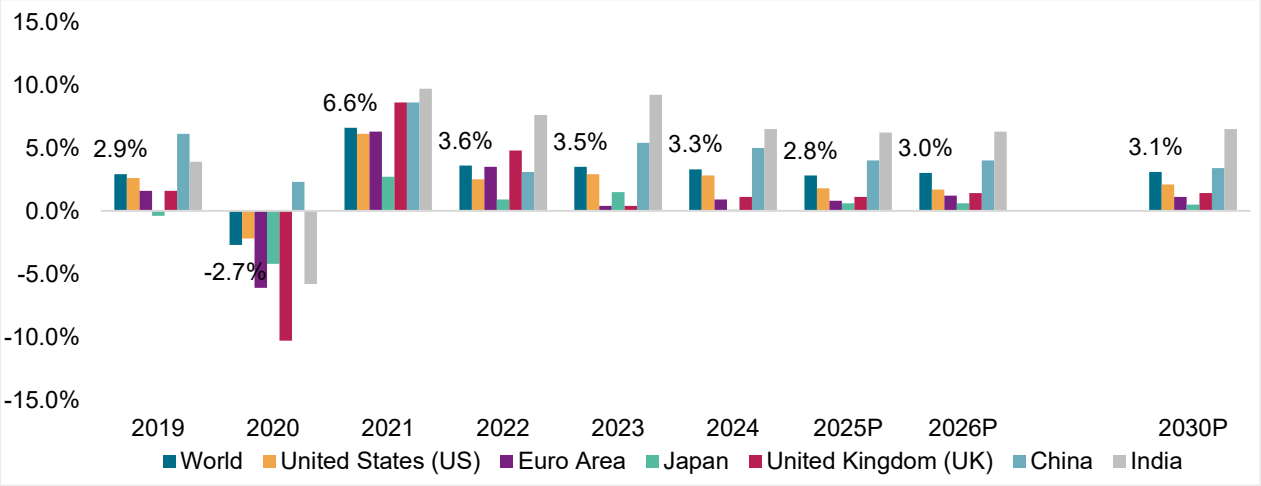
The global economy has shown remarkable resilience in the face of unprecedented challenges, including the Covid-19 pandemic. A swift recovery in 2021, driven by vaccine-powered normalization and fiscal support, laid the foundation for sustained growth. The economy expanded by 3.6% in 2022 and 3.3% in 2023, despite being moderated by supply chain constraints, inflation, and geopolitical uncertainties. The global economy's ability to navigate complex challenges and continue to move forward is a testament to its strength and adaptability.

Five-year historical data and growth forecast

The IMF projects global growth to decline from 3.3% in 2024 to 2.8% in 2025, before recovering to 3.1% in 2030. This downward revision is broad-based across countries, driven by the direct and indirect effects of new trade measures, including trade spillovers, heightened uncertainty, and deteriorating sentiment. The downgrade reflects a significant shift in the global economic outlook, underscoring the need for policymakers to address trade tensions and restore confidence to support a more robust and sustainable recovery, and mitigate the risks to global economic stability and growth prospects.

Regional outlooks have been revised owing to recent shocks and policies. The outlooks for the Middle East, Central Asia and sub-Saharan Africa have been revised downwards because of commodity production cuts, conflicts and unrest. In contrast, growth in emerging Asia has been stronger, driven by surging demand for semiconductors and electronics, fuelled by artificial intelligence (AI) investments.[2]

Economic review and outlook (growth rate)



P: Projected (years mentioned on the horizontal axis correspond to the calendar years)

Note: Unless mentioned otherwise, the years correspond to calendar years throughout the report, whereas India data is in fiscal years, 2020 being fiscal 2021 and so on.

Source: Crisil Intelligence, IMF, World Bank, S&P Global

Region-wise and country-wise economic review and outlook3

[1] IMF – World Economic Outlook October 2024

[2] All outlooks as stated by IMF unless stated otherwise

[3] All classifications according to IMF

Real GDP (on-year growth)	2020	2021	2022	2023	2024	2025P	2026P	2030P
World	-2.70%	6.60%	3.60%	3.50%	3.30%	2.80%	3.00%	3.10%
Euro area*	-6.10%	6.30%	3.50%	0.40%	0.90%	0.80%	1.20%	1.10%
Emerging and developing Asia	-0.50%	7.80%	4.70%	6.10%	5.30%	4.50%	4.60%	4.50%
Emerging and developing Europe	-1.80%	7.10%	0.50%	3.60%	3.40%	2.10%	2.10%	2.50%
Latin America and Caribbean	-6.90%	7.40%	4.20%	2.40%	2.40%	2.00%	2.40%	2.60%
Middle East and Central Asia	-2.20%	4.40%	5.50%	2.20%	2.40%	3.00%	3.50%	3.70%
Sub-Saharan Africa	-1.50%	4.70%	4.10%	3.60%	4.00%	3.80%	4.20%	4.50%

**The euro area consists of member states of the European Union that have adopted the euro as their currency*
P: Projected
Source: Crisil Intelligence, industry, IMF

Real GDP growth (on-year)	2020	2021	2022	2023	2024	2025P	2026P	2030P
US	-2.20%	6.10%	2.50%	2.90%	2.80%	1.80%	1.70%	2.10%
China	2.30%	8.60%	3.10%	5.40%	5.00%	4.00%	4.00%	3.40%
Germany	-4.10%	3.70%	1.40%	-0.30%	-0.02%	0.00%	0.09%	0.70%
Japan	-4.20%	2.70%	0.90%	1.50%	0.10%	0.60%	0.60%	0.50%
India	-5.80%	9.70%	7.60%	9.20%	6.50%	6.20%	6.30%	6.50%
UK	-10.30%	8.60%	4.80%	0.40%	1.10%	1.10%	1.40%	1.40%
France	-7.60%	6.80%	2.60%	1.10%	1.10%	0.60%	1.00%	1.20%
Italy	-8.90%	8.90%	4.80%	0.70%	0.70%	0.40%	0.08%	0.70%
Canada	-5.00%	6.00%	4.20%	1.50%	1.50%	1.40%	1.60%	1.50%
Brazil	-3.30%	4.80%	3.00%	3.20%	1.30%	1.10%	0.9%	NA

P: Projected
Source: Crisil Intelligence, industry, IMF
The GDP trajectory varies for key economies and regions, as detailed below

US

The country's GDP growth, which expanded from 2.5% in 2022 to only 2.9% in 2023, would have been higher if not for high inflation and, consequently, the hike in interest rates by the US Federal Reserve (Fed) to cool the print, which impacted spending. The 2024 growth forecast has been revised up to 2.8%[4] because of strong consumption and non-residential investment, driven by rising real wages and wealth effects. However, growth is expected to slow to 1.8% in 2025 as fiscal policy tightens and the labour market cools, closing the output gap.

Euro area

[4] All forecasts are by the IMF unless otherwise stated

The euro area growth slowed to 0.4% in 2023 owing to geopolitical issues, tighter financial conditions and high gas prices. Growth is expected to recover to 0.9% in 2024 and 0.08% in 2025, driven by improved exports, rising real wages and looser monetary policy, despite persistent manufacturing weakness in Germany and Italy.

Japan

In 2023, Japan's economy grew at 1.0%, driven by pent-up demand, tourism and accommodative policies. However, growth is expected to slow to 0.6% in 2024 and 0.6% in 2025 because of temporary supply disruptions and fading one-off factors.

UK

The UK's growth slowed to 1.10% in 2023 owing to tight monetary policy and high energy prices but was supported by a 2022 fiscal package. Growth is expected to accelerate to 1.10% in 2024 and 1.40% in 2025, driven by falling inflation and interest rates, which will stimulate domestic demand.

China

China's GDP grew at 8.4% in 2021, driven by pent-up demand and strong exports. Despite a property market-driven downturn, growth is expected to slow gradually to 4.0% in 2024 and 4.0% in 2025, supported by better-than-expected net exports. Recent policy measures may provide upside risk to near-term growth.

India

After a 5.8% contraction in 2020, the country's GDP rebounded, growing at 9.7%, 7.6% and 9.2% in 2021, 2022 and 2023, respectively. Growth moderated to 6.2% in 2024 and is expected to be at 6.3% in 2025, as pent-up demand is exhausted and the economy returns to its potential.

Middle East and Central Asia

The Middle Eastern and Central Asian economy contracted 2.2% in 2020, then rebounded to grow at 4.4% and 5.5% in 2021 and 2022. Growth slowed to 2.2% in 2023 but is projected to pick up to 3.0% in 2025 as oil production and shipping disruptions fade. The 2024 growth stood at 2.4%.

Sub-Saharan Africa

Sub-Saharan Africa's GDP contracted -1.5% in 2020, then grew at 4.7% in 2021 and 4.1% in 2022. Growth slowed to 3.6% in 2023 and 4.0% in 2024 because of weather disruptions and supply constraints. However, growth is projected to be at 3.8% in 2025 as weather shocks abate and supply constraints ease.

Latin America and the Caribbean

The Latin America and the Caribbean region grew at 2.4% in 2024 and projected to rebound to 3.0% in 2025. Brazil's growth has been revised to 1.3% in 2024, and is expected to moderate to 1.1% in 2025 owing to a restrictive monetary policy and cooling labour market.

The GDP growth data highlights clear divergence in economic momentum across global regions. India stands out as the fastest-growing major economy, with GDP growth projected to remain strong at 6.5% even in 2030, underscoring its role as a key engine of global growth. China, while still maintaining relatively high growth, is expected to continue its structural slowdown, with GDP growth moderating to 3.4% by 2030, reflecting a maturing economy. Among advanced economies, the US is projected to grow at a steady but modest pace of 2.1% in 2030. In contrast, Japan and major European economies such as Germany, France, and Italy are forecast to remain in a low-growth trajectory, with 2030 growth ranging between 0.5-1.2%, pointing to persistent structural challenges.

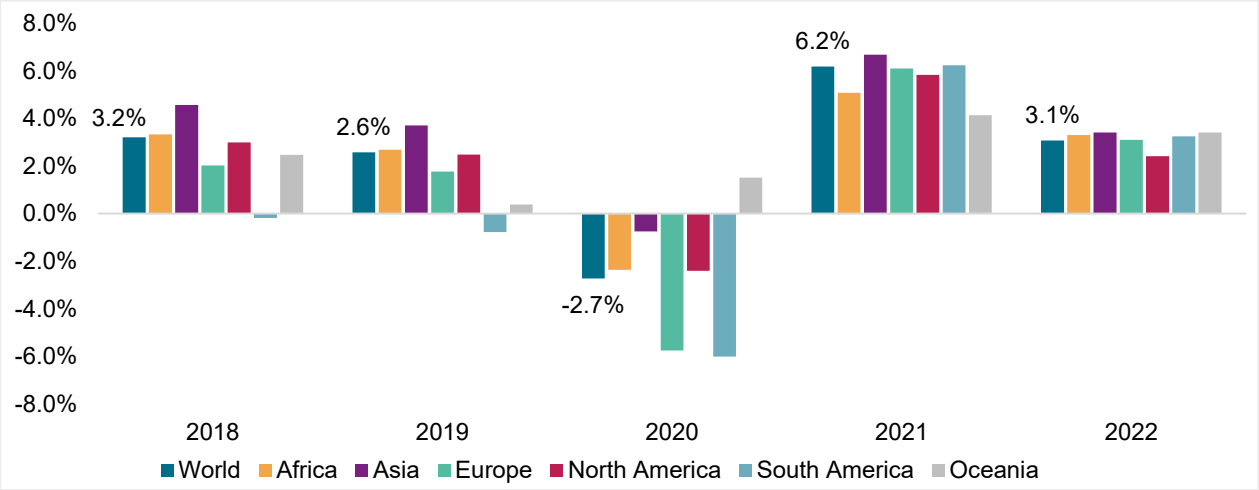
This growing disparity between developed and emerging markets is especially evident in long-term projections. Regions like Sub-Saharan Africa (4.5%), Emerging and Developing Asia (4.5%), and the Middle East and Central Asia (3.7%) are expected to sustain higher growth compared to the global average of 3.1% in 2030. These trends reinforce the ongoing global economic realignment, with India and other emerging markets increasingly at the

forefront of global economic expansion, while mature economies contend with structural headwinds and subdued growth.

Gross value added (GVA)

The global economy went through a tumultuous period, with a sharp decline in growth in 2020 (-2.7%) because of the Covid-19 pandemic, followed by a strong rebound in 2021 (6.2%). The subsequent slowdown in 2022 (3.1%) was driven by rising inflation, supply chain disruptions and monetary policy tightening. Prior to the pandemic, the world GVA averaged 3.0% from 2000-2019, with regional performances varying. This included steady growth in Africa, robust expansion in Asia, and Europe and South America's struggles with the lingering effects of the pandemic and economic instability.

GVA trend (growth rate)



Source: Crisil Intelligence, industry, UN Statistics Division
Note: GVA data available from United Nations up till 2022

World ($ trillion)	2018	2019	2020	2021	2022
Primary[5]	7.55	7.70	7.71	7.88	8.01
Secondary[6]	18.00	18.29	17.85	19.17	19.63
Tertiary[7]	53.33	54.93	53.28	56.69	58.69
Total	78.88	80.93	78.84	83.74	86.33

Source: Crisil Intelligence, industry, UN Statistics Division
Note: GVA data available from United Nations up till 2022

The GVA trend across regions displays a synchronised pattern, marked by a global downturn in 2020 and a subsequent rebound in 2021. Notably, Asia demonstrated resilience with a mild 4% contraction in 2020, compared with a decline of 5-8% in other regions, except for Oceania, which bucked the trend with growth. Over the observed period, Asia consistently outperformed the global GVA average, while Europe struggled with lower growth rates. The 2022 data indicate a return to pre-pandemic growth rates, with most regions converging around

[5] Segregation based on UN classification, includes agriculture, hunting, forestry and fishing, mining and quarrying, and utilities

[6] Segregation based on UN classification, includes manufacturing and construction

[7]Segregation based on UN classification, includes services and other activities

3%. This synchronised recovery suggests a strong global economic rebound, driven by Asia's sustained growth momentum.

Region-wise GVA

Components of GVA (At constant 2015 $)

Primary ($ trillion)[8]	2018	2019	2020	2021	2022
Africa	0.68	0.69	0.68	0.71	0.72
Asia	4.04	4.16	4.19	4.39	4.56
Europe	1.11	1.12	1.11	1.09	1.06
North America	0.96	0.99	0.99	0.96	0.93
Oceania	0.17	0.18	0.18	0.18	0.18
South America	0.44	0.42	0.41	0.41	0.42

Source: Crisil Intelligence, industry, UN Statistics Division
Note: GVA data available from United Nations up till 2022

Secondary ($ trillion)[9]	2018	2019	2020	2021	2022
Africa	0.43	0.45	0.43	0.45	0.47
Asia	9.08	9.31	9.34	10.08	10.43
Europe	3.91	3.95	3.73	4.03	4.12
North America	3.30	3.32	3.19	3.35	3.33
Oceania	0.22	0.21	0.21	0.22	0.22
South America	0.66	0.65	0.58	0.65	0.68

Source: Crisil Intelligence, industry, UN Statistics Division
Note: GVA data available from United Nations up till 2022

Tertiary ($ trillion)[10]	2018	2019	2020	2021	2022
Africa	1.40	1.44	1.40	1.47	1.54
Asia	17.23	18.02	17.82	18.98	19.60
Europe	13.33	13.60	12.77	13.57	14.09
North America	16.96	17.43	17.04	18.16	18.75
Oceania	1.09	1.10	1.12	1.18	1.23
South America	2.15	2.15	2.03	2.18	2.27

Source: Crisil Intelligence, industry, UN Statistics Division
Note: GVA data available from United Nations up till 2022

In terms of regional GVA, primary activities accounted for a significant share in Africa (26-27%), Asia (13%), Oceania (11-12%) and South America (12-14%). In contrast, North America (5-6%) and Europe (4-5%) relied less on primary activities. Asia experienced steady growth in its primary sector, with year-on-year increases of

[8] Segregation based on UN classification, includes agriculture, hunting, forestry and fishing, mining and quarrying, and utilities

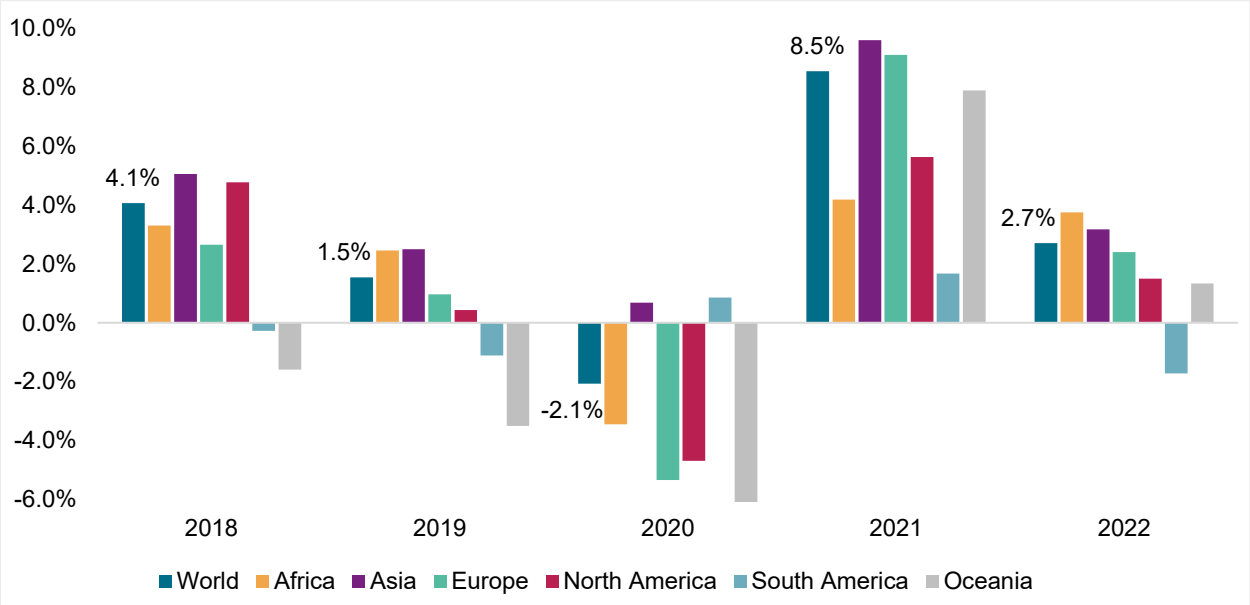
[9] Segregation based on UN classification, includes manufacturing and construction

[10]Segregation based on UN classification, includes services and other activities

3%, 1%, 5% and 4% from 2018 to 2022. The region also had the largest contribution to the secondary sector, accounting for 30% of the total, while other regions contributed between 15% and 22%. Asia's secondary sector grew 3%, 0%, 8% and 3% annually from 2018 to 2022. The tertiary sector was the largest contributor to GVA across all regions, largely owing to the size and diversity of industries included in this sector, such as trade, hospitality, transport, financial services and other services.

GVA by manufacturing

GVA manufacturing trend (growth rate)



Source: Crisil Intelligence, industry, UN Statistics Division
Note: GVA from UN available up till 2022

The manufacturing sector exhibited divergent growth patterns across regions from 2018 to 2022, shaped by a complex array of drivers. Asia's remarkable 9.6% growth in 2021 was fuelled by large-scale industrialisation and significant investments in technology. Its manufacturing sector has transformed significantly in recent years, with the region accounting for over half of global manufacturing value addition in 2022. The traditional model of low-cost, labour-driven manufacturing is giving way to cutting-edge production facilities, producing high-tech goods such as semiconductors and solar panels. This shift is driven by the need for supply chain diversification, creating opportunities for economies across Asia to move up the value chain. Notably, during the 2020 downturn, Asia and South America were the only regions to grow, while others contracted. The manufacturing sector peaked in 2021, driven by pent-up demand from the pandemic, and stabilised in 2022 as demand returned to normal and supply chain constraints started affecting manufacturing.

Europe's impressive 9.1% recovery in 2021 was attributed to post-pandemic stimulus packages and a rebound in global trade. Meanwhile, North America's steady growth at 5.6% was underpinned by a strong domestic market and investments in automation. Key factors contributing to growth include supply chain normalisation, reduced input costs and targeted industrial policies, such as Asia's semiconductor initiatives and Europe's green manufacturing push. Additionally, digital transformation and Industry 4.0 adoption have accelerated production capabilities, while regional trade agreements have facilitated smoother cross-border manufacturing operations. Labour market stabilisation and improved productivity through automation have also contributed to steady output levels. However, persistent inflationary pressures and monetary tightening measures have caused growth potential to moderate in some regions. Furthermore, the sector has benefitted from increased investment in sustainable production methods and circular economy initiatives, particularly in developed economies.

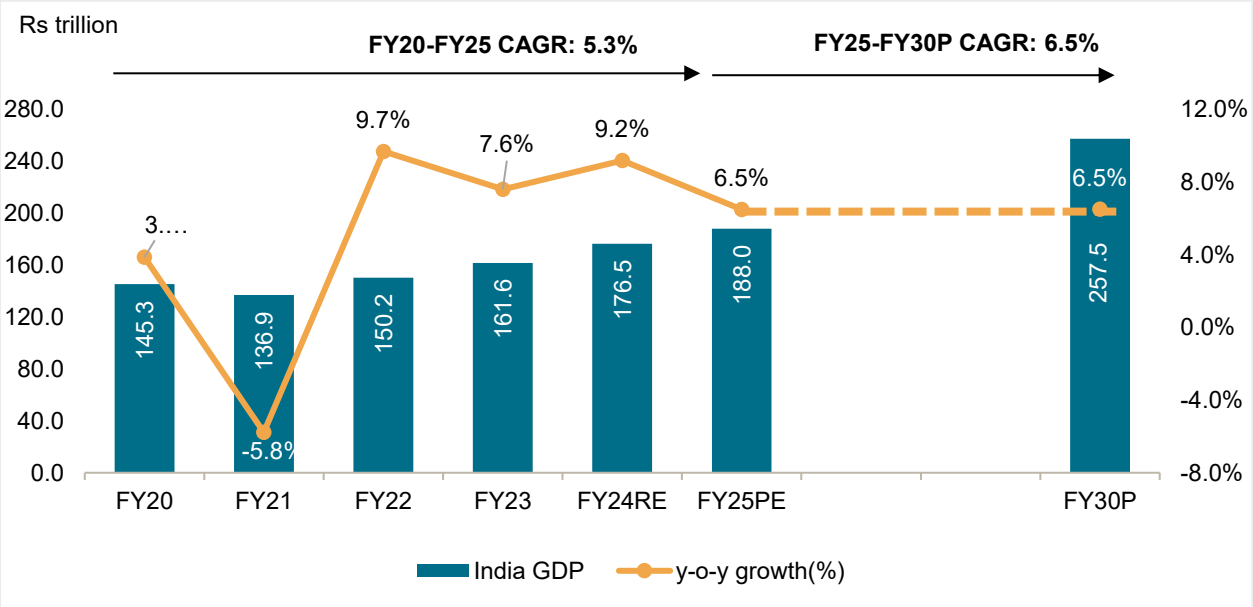
Indian macroeconomic overview

GDP trend

India's GDP clocked a compound annual growth rate (CAGR) of 5.0% between fiscals 2019 and 2024 to Rs 176.5 trillion,[11] following the change in base year for calculation to fiscal 2012 from fiscal 2005 effected by the Ministry of Statistics and Programme Implementation in 2015.

The pandemic-induced lockdowns led to a 5.8% decline in GDP in fiscal 2021, but the post-pandemic scenario has been positive, starting with a 9.7% on-year growth in fiscal 2022 led by the manufacturing and construction sectors.

India's Real GDP trend (at constant 2011-2012 prices)



For FY24RE: Revised Estimate, FY25PE: Provisional Estimated; FY30P: Projected; FY: Fiscal year

Source: National Statistical Office (NSO), Crisil Intelligence

India's real GDP is estimated to have grown 9.2% on-year in fiscal 2024 compared with 7.6% the previous fiscal. Although there will be support from the demand side on account of a normal monsoon and easing inflation, the second advance estimate has projected growth to slow to 6.5% in fiscal 2025. Manufacturing is projected to experience the sharpest decline, with growth estimates dropping from 12.3% to 4.5%. Other major contributors to GDP, such as trade and hotels, and financial services and real estate, are also likely to grow slower.

On the demand side, investment (gross fixed capital formation) is expected to cool moderately this fiscal (7.1% on-year this fiscal vs 8.8% the previous fiscal). Private consumption is expected to increase. Private consumption expenditure is predicted to grow to 7.2% this fiscal vs 5.6% last fiscal. Government consumption expenditure is expected to grow slower this fiscal by 2.3% on-year compared with 8.1% last fiscal and punch below its weight in overall GDP.

India's net exports are poised to improve significantly compared with the previous fiscal. This optimism stems from a robust export growth forecast of 6.3%, a substantial increase from the 2.2% growth recorded last fiscal. On the other hand, imports are expected to contract in stark contrast to the 13.8% growth seen in the previous fiscal. This divergence in export and import trends is likely to boost India's net exports, thereby supporting the trade balance. The improvement in exports can be attributed to the government's efforts to enhance

[11] Statistics from second advance estimates of gross domestic product 2024-25

competitiveness and diversify export markets. Meanwhile, the decline in imports reflects its initiatives to promote domestic production and reduce dependence on foreign goods.

Yearly demand-side real GDP growth

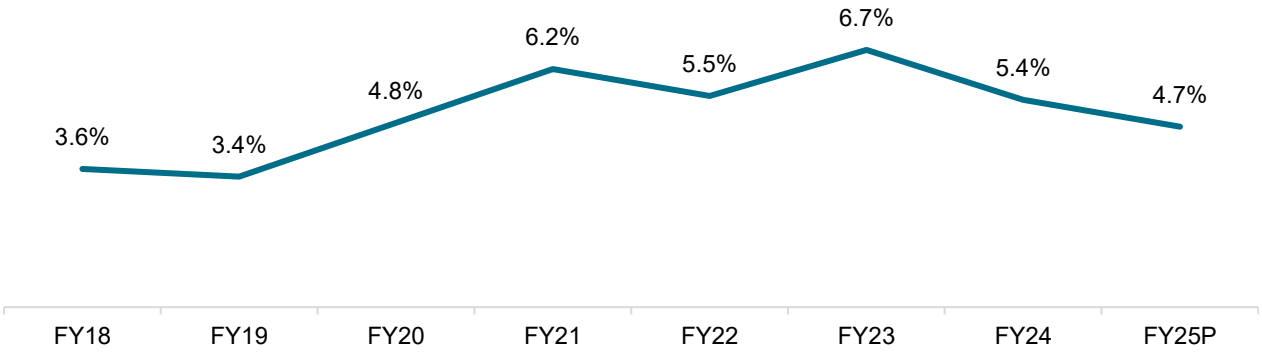
At constant 2011-12 prices	FY19	FY20	FY21	FY22	FY23	FY24RE	FY25PE
Private consumption	7.1%	5.2%	-5.3%	11.7%	7.5%	5.6%	7.2%
Government consumption	6.7%	3.9%	-0.8%	0.0%	4.3%	8.1%	2.3%
Gross fixed capital formation	11.2%	1.1%	-7.1%	17.5%	8.4%	8.8%	7.1%
Exports	11.9%	-3.4%	-7.0%	29.6%	10.3%	2.2%	6.3%
Imports	8.8%	-0.8%	-12.6%	22.1%	8.9%	13.8%	-3.7%

Source: Crisil Intelligence, National Statistical Office (NSO)

For FY24RE: Revised Estimate, FY25PE: Provisional Estimated; FY: Fiscal year

Consumer Price Index inflation trend

India's average Consumer Price Index (CPI) inflation rate remained ~4.70% between fiscals 2018 and 2022. However, in fiscal 2023, it increased to 6.70%, mainly led by surging food prices before moderating slightly to an average of 5.4% in fiscal 2024. Although core and fuel inflation numbers have remained low, the food inflation has been keeping CPI inflation above the Reserve Bank of India's medium-level target rate of 4%. For instance, according to the CPI figures for March 2024, food inflation stood at 8.5%, primarily due to strong accelerations in inflation in foodgrains, meat and fish and slower pace of deflation in edible oils during the month.



Source: National Statistical Office (NSO), Ministry of Industry and Commerce, Crisil Intelligence

P: Projected

Repo Rate Changes

Effective Date	Repo Rate	Change
04-Apr-19	6.00%	
06-Jun-19	5.75%	-0.25%
07-Aug-19	5.40%	-0.35%
06-Feb-20	5.15%	-0.25%
27-Mar-20	4.40%	-0.75%
22-May-20	4.00%	-0.40%
06-May-22	4.40%	0.40%
08-Jun-22	4.90%	0.50%

05-Aug-22	5.40%	0.50%
30-Sep-22	5.90%	0.50%
07-Dec-22	6.25%	0.35%
08-Feb-23	6.50%	0.25%
07-Feb-25	6.25%	-0.25%

Source: Crisil Intelligence, RBI

India's repo rate adjustments reflect the Reserve Bank of India's strategic and responsive monetary policy management, effectively navigating various economic challenges while promoting sustainable growth. The RBI implemented a series of cuts from 6.00% in April 2019 to 5.15% by February 2020, demonstrating foresight in addressing pre-pandemic economic deceleration. When COVID-19 struck, the central bank responded decisively with historic reductions, slashing rates to 4.40% in March 2020 and further to 4.00% by May 2020, injecting crucial liquidity of into the system. This emergency intervention successfully stabilized markets and protected economic fundamentals during unprecedented uncertainty. As India achieved remarkable post-pandemic recovery with an 7.0% expansion in FY23—the RBI skillfully shifted to inflation management with measured rate increases between May 2022 and February 2023, reaching 6.50%. Throughout this tightening cycle, India maintained robust growth while effectively bringing inflation within target range. The February 2025 cut to 6.25% represents a balanced pivot toward supporting investment and consumption, particularly benefiting sectors like housing and manufacturing, while maintaining price stability. This sophisticated rate management has been instrumental in India's economic resilience and continued growth trajectory despite global volatility.

GVA trend

On-year supply-side gross value added by economic activity

At basic 2011-12 price	FY19	FY20	FY21	FY22	FY23	FY24 P	FY25 E
Agriculture and allied	2.1%	6.2%	4.0%	4.6%	6.3%	2.7%	4.6%
Mining and quarrying	-0.8%	-3.0%	-8.2%	6.3%	3.4%	3.2%	2.8%
Manufacturing	5.4%	-3.0%	3.1%	10.0%	-1.7%	12.3 %	4.3%
Utilities*	7.9%	2.3%	-4.2%	10.3%	10.8%	8.6%	6.0%
Construction	6.5%	1.6%	-4.6%	19.9%	9.1%	10.4 %	8.6%
Services^	7.2%	6.4%	-8.4%	9.2%	10.3%	9.0%	7.3%

**Utilities include, electricity, gas, water supply and other utilities*

^Services include those related to trade, hotels, transport, communication, broadcasting, finance, real estate, public administration, defence, and professional and other services

Source: Crisil Intelligence, CSO

The primary sector, comprising agriculture and mining, shows moderate but stable growth, averaging 3-4%, with notable resilience during the pandemic period. The secondary sector, encompassing manufacturing, utilities and construction, demonstrates high volatility, swinging from a contraction of -1.3% in fiscal 2020 to a robust 12.7% growth in fiscal 2022, driven primarily by the post-pandemic manufacturing recovery and construction boom. The tertiary sector, dominated by services, has performed the most consistently, maintaining growth rates between 6-10% throughout the period, except for the pandemic-induced contraction in fiscal 2021.

As per the latest data, the growth rates for fiscal 2024 are 5.9% for the primary sector, 11.4% for the secondary sector, and 9.0% for the tertiary sector. The estimated growth rates for fiscal 2025 are 4.4% for the primary sector, 5.8% for the secondary sector, and 7.3% for the tertiary sector. This trend underscores India’s evolving economic structure, with the services sector maintaining its role as the primary growth driver. The construction sector, in particular, has shown significant growth, with a rate of 10.4% in fiscal 2024 and an estimated 8.6% in fiscal 2025, driven by government initiatives and infrastructure development. The manufacturing sector has also shown a

strong recovery, with a growth rate of 12.3% in fiscal 2024 and an estimated 4.3% in fiscal 2025. Overall, the Indian economy is expected to maintain a balanced growth trajectory, with all sectors contributing to the country's economic expansion.

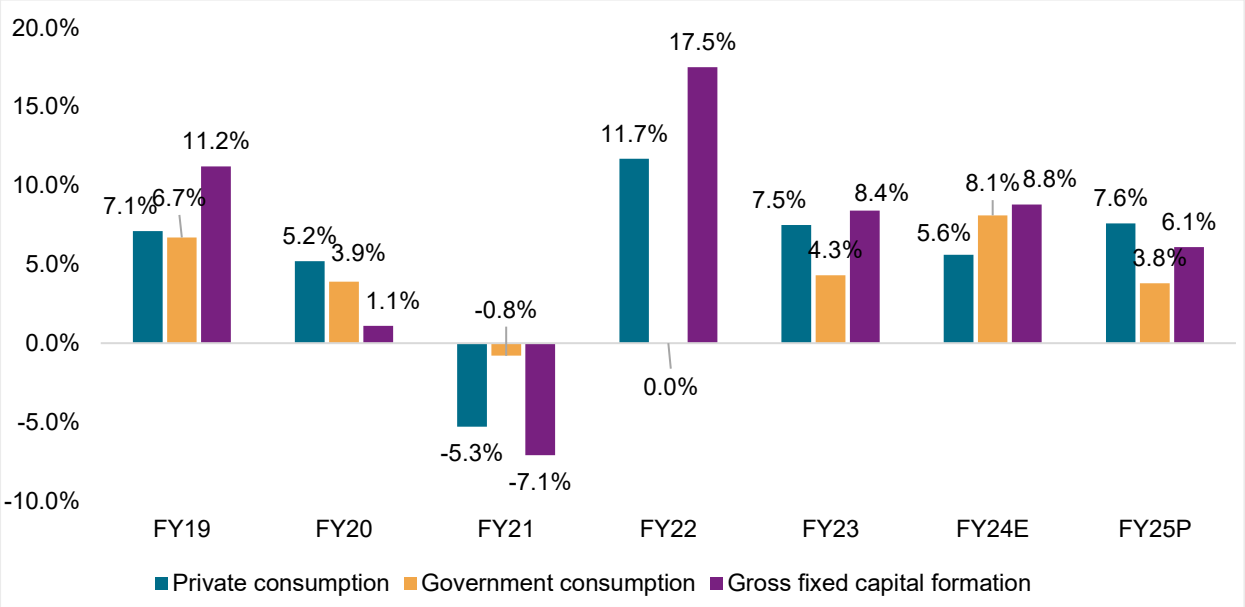
On-year supply-side gross value added by sectors

At basic 2011-12 price	FY19	FY20	FY21	FY22	FY23	FY24 P	FY25 E
Primary sector[12]	1.6%	4.8%	2.3%	4.8%	4.8%	5.9%	4.4%
Secondary sector[13]	5.9%	-1.3%	0.2%	12.7%	2.4%	11.4%	5.8%
Tertiary sector[14]	7.2%	6.4%	-8.4%	9.2%	10.3%	9.0%	7.3%

Source: Crisil Intelligence, CSO

India's investment and consumption trend

Investment and consumption trend



Source: Crisil Intelligence, CSO

India's investment growth, measured by gross fixed capital formation (GFCF), has demonstrated a fluctuating trend over recent years. After a strong recovery of 17.5% in fiscal 2022, investment growth slowed to 8.4% in fiscal 2023 and 8.8% in fiscal 2024. GFCF is projected to decline to 6.1% in fiscal 2025. This deceleration reflects reduced momentum in industrial and manufacturing activities, which are critical to capital formation. The on-year change shows a sharp drop of 9.1 percentage points from fiscal 2022 to 2023, followed by a modest recovery of 0.4 percentage points in 2024. That said, a contraction of 2.7 percentage points is expected in fiscal 2025.

The slowdown can be attributed to global economic uncertainties and tighter monetary policies. However, the average GFCF growth rate of 6.3% over the period indicates resilience, supported by infrastructure spending and government initiatives such as the production-linked incentive (PLI) schemes. While investment levels remain

[12] Include Agriculture, Livestock, Forestry & Fishing and Mining & Quarrying

[13] Include Manufacturing, Electricity, Gas, Water supply & Other Utility Services and Construction

[14] Include Trade, Hotels, Transport, Communication and Services related to Broadcasting, Financial, Real Estate & Professional Services and Public Administration, Defence & Other Services

positive, the declining trend highlights the need for policy measures to stimulate private sector participation and sustain long-term capital formation.

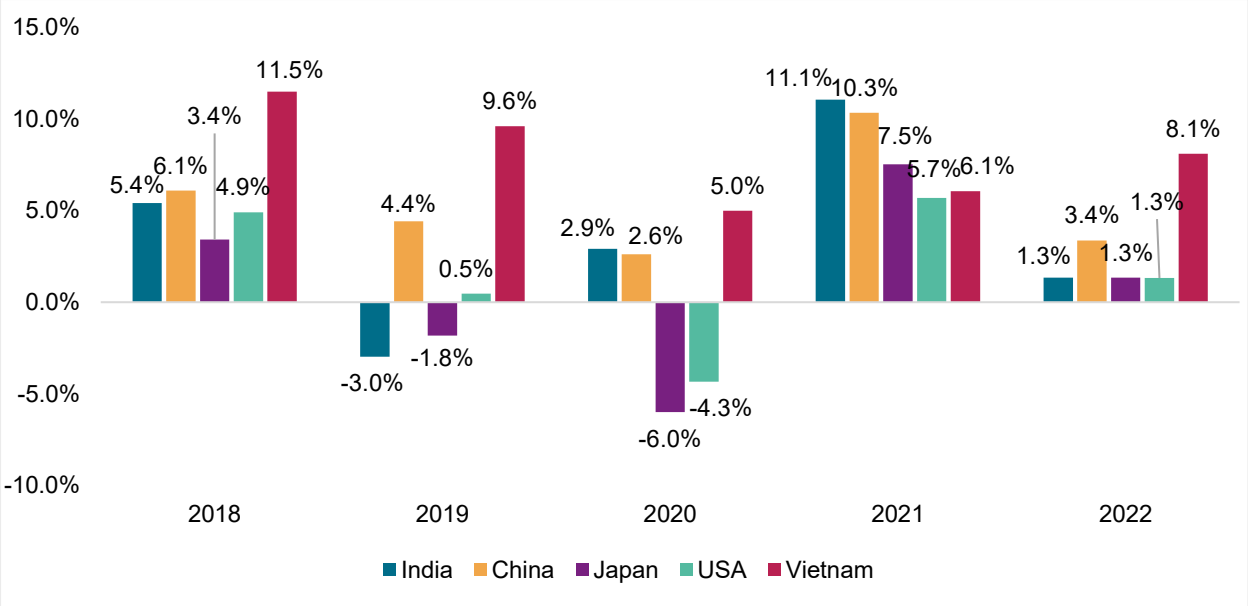
Private consumption growth has varied considerably, peaking at 11.7% in fiscal 2022 before slowing to 7.5% in fiscal 2023 and 5.6% in fiscal 2024, with a rebound to 7.6% projected in fiscal 2025. The slowdown reflects inflationary pressures and lower disposable incomes, while the projected recovery would be attributable to improving consumer sentiment driven by easing inflation and higher rural demand. The average private consumption growth of 6.8% over the period underscores its role as a key driver of GDP growth.

Government consumption has been more subdued, with an average growth rate of 3.6%. It contracted -0.8% in fiscal 2021 but rebounded sharply to 4.3% in fiscal 2023 due to pandemic-related spending, before slowing to 8.1% in fiscal 2024, and projected to recover to a modest 3.8% in fiscal 2025. This trend reflects fiscal consolidation efforts, with a focus on expenditure rather than direct consumption spending. The projected uptick in fiscal 2025 suggests renewed government focus on welfare schemes and public services.

Exports have also shown a fluctuating trend, with a growth rate of 29.6% in fiscal 2022, followed by a slowdown to 10.3% in fiscal 2023 and 2.2% in fiscal 2024. Exports are projected to grow at 7.1% in fiscal 2025. Imports, on the other hand, have grown at a slower pace, with a growth rate of 22.1% in fiscal 2022, followed by 8.9% in fiscal 2023 and 13.8% in fiscal 2024. Imports are projected to decline by 1.1% in fiscal 2025.

India's manufacturing sector

Trend of manufacturing sector in GVA (% growth rate)



Source: Crisil Intelligence, United Nations Statistics division
Note: GVA from the UN available till 2022.
Note: Unless mentioned otherwise, the years correspond to calendar years throughout.

The manufacturing sector across major economies has experienced varying growth trajectories over the past few years, shaped by pandemic-induced disruptions and subsequent recovery efforts. India's manufacturing sector, which grew at 5.4% in 2018, contracted to -3% in 2019 due to structural challenges, and was further impacted by the COVID-19 pandemic in 2020, witnessing a slow growth of 2.9%. However, the metric rebounded strongly in 2021 with an impressive growth rate of 11.1%, driven by pent-up demand and government initiatives such as PLI scheme. Growth moderated to 1.3% in 2022 due to lingering supply chain constraints and global inflationary pressures. Comparatively, China maintained resilience during the pandemic with a modest growth of 2.6% in 2020 and steady recovery thereafter, while Vietnam emerged as an outlier, consistently achieving high growth rates (5% in 2020 and 8.1% in 2022) due to its strategic positioning under the "China+1" policy.

The manufacturing sector is a vital component of India's economy, accounting for 16% of the country's GDP in fiscal 2024, according to the Central Statistical Office (CSO). The sector is also a major employer, providing livelihood for over 27 million workers. In fiscal 2024, the manufacturing sector experienced a growth rate of 9.9%, demonstrating its potential as a key driver of economic transformation.

However, the sector is projected to experience a slowdown in fiscal 2025, with a growth rate of 5.3%. Despite this, India remains well-positioned to expand its manufacturing base on account of favorable demographics, strategic government support for infrastructure development, and policies aimed at reducing import dependencies. Some of them include:

National Steel Policy 2017

This policy aims to increase the country's steel production capacity to 300 million tons by 2030-31, with a focus on high-grade steel production. The policy also emphasizes the need for increasing domestic steel consumption, reducing imports, and promoting research and development in the steel sector. The policy's objectives are expected to be achieved through measures such as increasing public and private sector investment, improving infrastructure, and providing incentives for the use of clean and green technologies. By promoting the growth of the steel sector, the National Steel Policy 2017 is likely to have a positive impact on the manufacturing sector as a whole, as steel is a critical input for many industries, including construction, automotive, and engineering. This, in turn, is expected to contribute to the country's overall economic growth and development.

Make in India

Launched in 2014, the Make in India initiative aims to transform the country into a global manufacturing hub by increasing manufacturing's contribution to the GDP from 16% in fiscal 2014 to 25% by 2025. It focuses on 27 key sectors, including automobiles, electronics, textiles, and defence. Despite some notable achievements, India's manufacturing sector still lags behind the target, contributing around 16% to the country's GDP in fiscal 2024. However, the initiative has attracted significant foreign investment, with over $165.1 billion in Foreign Direct Investment (FDI) flowing into the country between 2014 and 2024. India's ranking in the World Bank's Ease of Doing Business Index has also improved significantly, from 142 in 2014 to 63 in 2019, before the index was discontinued. Key achievements of the initiative include India's emergence as the second-largest mobile phone manufacturer globally, as well as a surge in automobile and electronics production. However, challenges remain in achieving the ambitious GDP target due to infrastructure gaps and regulatory hurdles.

Production Linked Incentive (PLI) Scheme

Introduced in 2020 with an outlay of Rs 1.97 lakh crore, the PLI scheme incentivises production across 14 sectors, including electronics, pharmaceuticals, and renewable energy. As of December 2024, it has attracted Rs 1.46 lakh crore in investments, generated Rs 12.5 lakh crore in production/sales, and created approximately 9.5 lakh jobs. The programme has significantly boosted smartphone manufacturing, with exports reaching $11 billion in fiscal 2023. The scheme also supports import substitution and export growth, particularly in high-tech industries like telecommunication and solar PV modules.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY)

Launched in 2015 under the Skill India Mission, PMKVY aims to bridge skill gaps by providing industry-relevant training. As of January 2025, it has trained over 1.42 crore individuals across sectors such as manufacturing and information technology. PMKVY incorporates new-age skills like artificial intelligence (AI) and robotics to align with Industry 4.0 demands. Its Recognition of Prior Learning (RPL) programme has certified informal workers, enhancing their employability. The scheme supports manufacturing by creating a skilled workforce aligned with industry needs.

PM Gati Shakti

Launched in 2021 with a Rs 100 lakh crore investment plan, PM Gati Shakti integrates infrastructure projects across 16 ministries to enhance multimodal connectivity. By reducing logistics costs (currently at 13-14% of GDP) to global benchmarks of 8-9%, it directly benefits manufacturers through seamless supply chains and faster project execution. As of October 2024, over Rs 15.39 lakh crore worth of projects have been assessed under this initiative. Improved connectivity has bolstered industrial growth in tier-II and tier-III cities.

Industry 4.0 and Digital India

The Digital India programme has accelerated the adoption of Industry 4.0 technologies like Internet of Things (IoT), AI, and robotics within manufacturing processes. Initiatives such as smart factories and digital supply chains have enhanced productivity while fostering innovation. The integration of digital tools into manufacturing aligns with global standards, positioning India as a competitive player on the world stage.

National Logistics Policy (NLP)

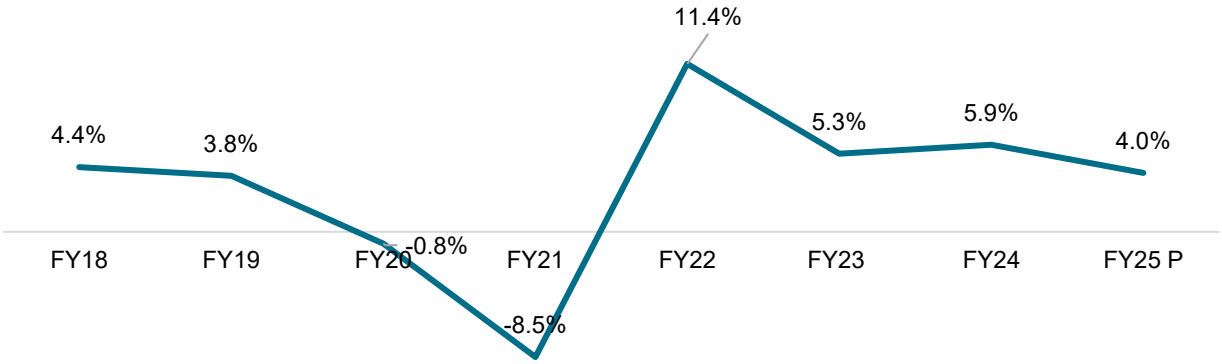
Launched to complement the PM Gati Shakti scheme, NLP aims to reduce logistics costs from 16% of India's GDP to a global average of ~8% by improving multimodal transport systems and warehousing infrastructure. Improved logistical efficiency aids manufacturers by lowering operational costs and improving export competitiveness.

National Infrastructure Pipeline (NIP)

The NIP involves an investment of Rs 111 lakh crore over five years from fiscal 2020 to fiscal 2025 to develop critical infrastructure such as industrial corridors and smart cities. This initiative provides manufacturers with state-of-the-art facilities, while improving access to domestic and international markets.

Index of Industrial Production growth trend

India's Index of Industrial Production (IIP) had a moderate 3.8% growth in FY19, IIP contracted by 0.8% in FY20 and sharply declined by 8.5% in FY21 due to the pandemic. However, a strong recovery was seen in FY22 with 11.4% growth. The growth rate moderated to 5.3% in FY23 and improved to 5.9% in FY24. The uptick in the index was mainly led by strong pick-up in the manufacturing of electrical equipment and basic metals. Further,



an uptick in consumer durables sector aided the IIP growth.

Source: NSO, Ministry of Industry and Commerce, Crisil Intelligence

China+1 strategy

In the 1990s and early 2000s, China emerged as the leading global manufacturing hub primarily because of availability of a large labour force at cheap rates, favourable government policies, and vast infrastructure investment. However, in the mid- to late-2010s, the country started losing its competitiveness in terms of manufacturing on account of to the emergence of "China+1".

China+1 is a strategy that encourages companies across the globe to diversify their supply chain and manufacturing away from China to mitigate concentration risk. This strategy, which first garnered attention in the early 2010s, picked up calendar year 2018, when global companies started looking at reducing their dependence on China by adding other countries as alternative production bases.

The early drivers of the strategy included the following:

Rising labour costs in China: As the Chinese economy started growing at a rapid pace, wages also started increasing. With increasing labour costs, China started losing its cost-competitiveness, particularly in industries which were highly labour intensive. For example, currently, the minimum wage rate in China in rupee terms is Rs 25,000–30,000 per month, which is significantly higher than India, where the minimum wage rate is Rs 5,000-5,500 per month. This increasing wages in China forced the global companies to start looking to diversify their manufacturing operations to other countries such as India and Vietnam. that offered favourable business environments with lower labour costs.

Geopolitical and regulatory tensions: Various geopolitical tensions also forced companies to shift some of their manufacturing operations outside China. For example, the trade war between the US and China that started in 2018 led to introduction of tariffs and trade barriers, making Chinese goods more expensive and less competitive in the global market. Further, regulatory challenges such as strict environmental norms and bureaucratic hurdles added to the complexity and costs of doing business in China. As an example, ease of doing business in China was affected when foreign companies were required to share proprietary information with their local Chinese counterparts as a condition for access to markets. These policy-related barriers along with their unpredictable nature prompted companies to explore other manufacturing locations to avoid the impact of tariffs, maintain cost-competitiveness and geographical diversification in the global market.

Covid-19 pandemic: The pandemic, which reportedly originated between late calendar year 2019 and early 2020, also exposed vulnerabilities and risk of over-dependence on China. The country, which was the initial epicentre of the pandemic, announced lockdowns, which led to factory closures causing severe global supply chain disruptions. The companies, as a result, struggled to source materials (raw materials or finished goods), thus highlighting the risk of over-dependence on a single region. This prompted the companies to accelerate their diversification efforts to avoid or mitigate such disruptions in the future.

Economic development and proactive approach of other countries: Many countries, mostly in south and south-east Asia, including India, positioned themselves as alternative manufacturing locations by investing heavily in infrastructure, simplifying regulations, increasing the ease of doing business, offering FDI-related incentives, etc.

Capitalising on China +1

Indian manufacturing is likely to benefit from multinational companies' decision to move their manufacturing bases out of China. The manufacturing of steel and related products in India is expected to benefit from the strategy, primarily because of supporting supply side and demand side business environment, government policy, and other key factors as detailed below:

Government initiatives and policy support: The government has introduced schemes such as PLI, which provides various incentives to industries such as specialty steel, electronics, automobiles, which are end-users for the steel sector. As per the PLI scheme, an incentive outlay of Rs 1.97 lakh crore (equivalent to over $26 billion) is underway for 14 key sectors to enhance the country's manufacturing capabilities and exports. This scheme, which will benefit many sectors in India, is also expected to increase demand for steel and, in particular stainless steel. For example, with automobile companies looking to reduce the weight of their vehicles by substituting conventional steel with other types of materials such as stainless steel, the demand for stainless steel is expected to increase, benefiting the domestic stainless steel manufacturing industry. Further, in calendar year 2017, the government introduced National Steel Policy (NSP), which aims to increase steel production in India to 300 million tonne by 2030 from ~178 million tonne as of 2024.

Growing export opportunities: The Indian government has introduced policies such as PLI scheme, Make in India, Trade Infrastructure for Export Scheme (TIES), *Market Access Initiative (MAI),* to improve ease of doing business. It has also introduced schemes related to foreign direct investment and reforms thereof, to boost the manufacturing and exports of steel and value-added products. For example, under the PLI scheme for specialty steel, a total investment outlay of Rs 4,300 crore is expected to happen. Under MAI, which is an export promotion scheme, a yearly budget of ~Rs 2 billion is earmarked per year, which is expected to increase in the coming years. Further, multiple countries want to reduce the dependence on steel from China. The Indian steel industry can cater to their requirements. Moreover, the Indian stainless steel industry is focussing heavily on producing sustainable and environmentally friendly products, which is expected to garner huge demand in the export markets in coming years

Growing demand from key industries: The Indian steel industry is poised to benefit from the country's growing infrastructure development. As the government invests heavily in this sector, the demand for steel is expected to increase, driving growth for domestic steel producers. Additionally, India's position as the second-largest producer of steel after China makes it an attractive alternative source for companies looking to diversify their supply chains. India's growing infrastructure and steel production capabilities make it a potential beneficiary of shifting global supply chains and an increasingly attractive destination for businesses.

Raw material availability: India has significant reserves of iron ore and coal, which are key raw material/consumables in steel production. With total reserves of over 33.28 billion tonne of haematite (Fe2O3) and magnetite (Fe3O4) as of May 2023, India is one of the leading producers of iron ore in the world, according to the Indian Bureau of Mines. Further, the Ministry of Coal indicates India’s total estimated coal reserves stood at 378.21 billion tonne in fiscal 2023

Existing expertise in India: India, being the second-largest producer of crude steel in the world (with a production volume of 144.30 million tonne in fiscal 2024, as reported by Joint Plant Committee), is the most obvious choice for the global industries looking to shift their supply base from China. India is home to key integrated steel producers such as Steel Authority of India Ltd, JSW Ltd, Tata Steel Ltd, etc. which provides the country a strong competitive edge against others from the perspective of availability of skilled workforce and technology

Key government schemes for end-use industries

1. Defence industry

The Indian defence manufacturing sector has undergone a significant transformation under the Make in India initiative, with a focus on enhancing domestic manufacturing capabilities and reducing dependence on imports. The government's strategic policies and initiatives have propelled the sector towards self-reliance, resulting in a substantial increase in domestic production and exports.

Key Highlights:

Domestic defence production: The Ministry of Defence reported an unprecedented domestic defence production of Rs 1.27 lakh crore in fiscal 2024, a significant milestone in the country's journey towards self-reliance

Exports: India's defence exports have grown remarkably, reaching a record high of Rs 21,083 crore in fiscal 2024, compared with Rs 686 crore in 2014, clocking a CAGR of 34.6%

Policies and initiatives:

Liberalised FDI Policy: The FDI limit in the defence sector was raised to 74% through the automatic route and up to 100% through the government route, attracting significant investment in the sector. The liberalised FDI policy has attracted significant investment in the defence sector, with Rs 5,077 crore worth of FDI reported by companies operating in the sector as of February 9, 2024

Defence Acquisition Procedure (DAP) 2020: The policy emphasises procurement of capital items from domestic sources, promoting indigenous production and reducing dependence on imports. Historically, India relied

heavily on foreign countries for its defence needs, importing 65-70% of defence equipment. However, this landscape has dramatically shifted, with ~65% of defence equipment now manufactured domestically. This transformation reflects the country's commitment to self-reliance in this critical sector and underscores the strength of its defence industrial base, which comprises 16 defence public sector undertakings (DPSUs), over 430 licensed companies, and ~16,000 micro, small, and medium enterprises (MSMEs). Notably, 21% of this production comes from the private sector, bolstering India's journey toward self-reliance

2. Green steel taxonomy

As the world's second-largest steel producer, the sector is both a cornerstone of the Indian economy (~2% of GDP in fiscal 2024) and a major source of greenhouse gas emissions, contributing to 10-12% of the country's total emissions in fiscal 2024. In fiscal 2024, steel production in India had an emission intensity of 2.54 tCO2/tcs (CO2 emissions per tonne of crude steel) which is higher than the calendar year 2023 global average of 1.92 tCO2/tcs. As per the National Steel Policy 2017, India is set to increase steel production capacity to 300 million tonne, which would add to sustainability concerns. To address this, the Ministry of Steel introduced the green steel taxonomy.

In December 2024, India became the first country to release a taxonomy for green steel, outlining the following key features: Green steel is defined as steel produced with a CO2 equivalent emission intensity of less than 2.2 tCO2e/tfs (CO2 emissions equivalent per tonne of finished steel). The ministry, in collaboration with industry stakeholders, aims to establish a green steel taxonomy to reduce the emission intensity to 2.2 tCO2 e/tfs by 2030. Greenness is expressed as a percentage based on emission reductions below the threshold value. A star rating system will be used, with 5-star (<1.6 tCO2e/tfs), 4-star (1.6-2.0 tCO2e/tfs), and 3-star (2.0-2.2 tCO2e/tfs) ratings. The threshold values will be reviewed every three years starting in 2030.

3. PLI scheme

Keeping in view India's vision of becoming 'Atmanirbhar', an incentive outlay of Rs 1.97 lakh crore (equivalent to over $26 billion) under the PLI scheme for 14 key sectors is underway to enhance the country's manufacturing capabilities and exports. The implementation of the scheme across the sectors aims to attract investments (domestic and foreign) in the areas of core competency and apply cutting-edge technology, ensure efficiencies, create economies of scale and boost exports to make India an integral part of the global value chain.

Particulars	Units	Amount
PLI scheme-led investment	Rs lakh crore	1.46
PLI scheme production/sales	Rs lakh crore	12.50
PLI scheme-led exports	Rs lakh crore	4.00
PLI-led employment generation	In lakh	9.5 (direct and indirect)

Source: Press information bureau (PIB)
Note: All figures in the table are As of August 2024

Benefits of PLI scheme

Food processing sector

Sourcing of raw material from India has increased significantly, benefitting farmers and small-scale industries

Sales of organic products has increased, enhancing the visibility of Indian brands in the global market

The scheme has also led to increased millet procurement by over five times between fiscals 2021 and 2023

Specialty steel sector

Ministry of Steel has a target of generating an investment of Rs 29.5 billion, an additional capacity of 25 million tonne for producing specialty steel grades and an additional employment to about 17,000 people between fiscals 2024 and 2028 through its PLI programme

In fiscal 2024 itself, an estimated investment of Rs 160 billion has been made. In fiscal 2025, an investment of another Rs 10 billion is expected to be made into the sector through the PLI scheme

Renewable energy and solar PV

India's solar PV manufacturing sector has grown rapidly, with installed capacity increasing from 2.3 GW in 2014 to ~67 GW in 2024. The government's phased development approach, with an outlay of Rs 4,500 crore in the first phase and Rs 19,500 crore in the second, has established a robust manufacturing ecosystem.

The PLI scheme for solar has aided growth, with implementation of 48 GW of fully/partially integrated projects underway. It is expected to attract Rs 1.1 lakh crore investment and create 45,000 direct employment opportunities

Automotive and auto components

The Union Cabinet approved the PLI Scheme for Automobile & Auto Components with a budgetary outlay of ₹25,938 crore, the scheme aims to overcome cost disabilities and boost domestic manufacturing of Advanced Automotive Technology (AAT) products in India.

The scheme covers 19 categories of AAT vehicles and 103 AAT components, as notified by the Ministry of Heavy Industries (MHI).

As of December 2024, companies under the scheme have committed over ₹25,000 crore in capital investment, including setting up new production facilities and upgrading technology.

The first performance year of the scheme was FY 2023-24, and an aggregate incentive of ₹322 crores has been disbursed under the scheme as of December 2024.

White goods (air conditioners and LED lights)

The Union Cabinet approved the PLI Scheme for White Goods with an outlay of ₹6,238 crore to be implemented over FY 2021-22 to FY 2028-29, the Scheme aims to create a robust component ecosystem for Air Conditioners and LED Lights Industry in India and make India an integral part of the global supply chains.

The Scheme extends an incentive of 6% to 4% on reducing basis on incremental sales for a period of five (5) years subsequent to the base year and one year of gestation period.

A total of 84 companies under the Scheme are set to bring investments of ₹10,478 crore, resulting in production worth ₹1,72,663 crore during the Scheme period.

Manufacturing of Medical Devices

The total financial outlay of the scheme is Rs. 3,420 crore with production tenure from FY 2022-2023 to FY 2026-27

The scheme provides incentive to selected companies at the rate of 5% on incremental sales of medical devices manufactured in India and covered under the four Target segments of the scheme, for a period of five (5) years.

19 green-field projects have been commissioned and production of 44 products including high end medical devices which were previously imported into the country has started under the scheme as of Dec 2024.

The cumulative sales made by the applicants under the scheme up to September, 2024 is Rs 8,039.63 crore (which includes exports worth Rs 3,844.01 crore).

4. Production Linked Incentive 1.1 (PLI 1.1)

The Indian government has introduced the PLI Scheme 1.1 to increase the production of specialty steel. This initiative focuses on five product categories: coated/plated steel products, high strength/wear resistant steel, specialty rails, alloy steel products and steel wires, and electrical steel.

The application window for the PLI Scheme 1.1 is open from January 6 to January 31, 2025, and investments made after January 6 will be eligible for the scheme. This version of the scheme will operate within the original allocation of Rs 6,322 crore for the steel sector's PLI Scheme. It aims to promote high-value steel manufacturing, reduce import dependence and strengthen India's position as a global steel powerhouse. The government also aims to attract investments and generate employment in the steel sector through this route.

In the first round of the Production Linked Incentive (PLI) Scheme for specialty steel, launched in July 2021, the government approved 44 projects from 26 companies. Major steel companies such as SAIL, Tata Steel, JSW, Jindal Steel and Power Limited (JSPL) and ArcelorMittal Nippon Steel (AMNS) were among the participants.

5. Green hydrogen mission

The National Green Hydrogen Mission, launched in January 2023 with an outlay of Rs 19,744 crore, aims to propel India to the forefront of the global green hydrogen industry. The mission's overarching objective is to make India a global hub for the production, usage and export of green hydrogen and its derivatives. The scheme aims to establish a production capacity of 5 million tonnes (MT) per annum by 2030. This capacity creation is expected to bring in more than Rs 8 lakh crore in investments. This investment is estimated to generate 6 lakh jobs by 2030, contributing to the country's employment growth and economic development. Green hydrogen has the potential to replace imported fossil fuels in various areas, including fertiliser production, petroleum refining, mobility, steel production and shipping propulsion applications. The mission is expected to reduce a cumulative Rs 1 lakh crore worth of fossil fuel imports by 2030, contributing to the country's energy security and reducing its trade deficit. Some notable achievements include:

GAIL Limited has started India's maiden project to blend hydrogen with the city gas distribution grid in Indore (Madhya Pradesh)

NTPC Limited has initiated up to 8% blending of green hydrogen in the piped natural gas (PNG) network at the NTPC township in Surat (Gujarat)

NTPC has helped to deploy Hydrogen-based fuel-cell electric vehicle (FCEV) buses in Greater Noida (Uttar Pradesh) and Leh

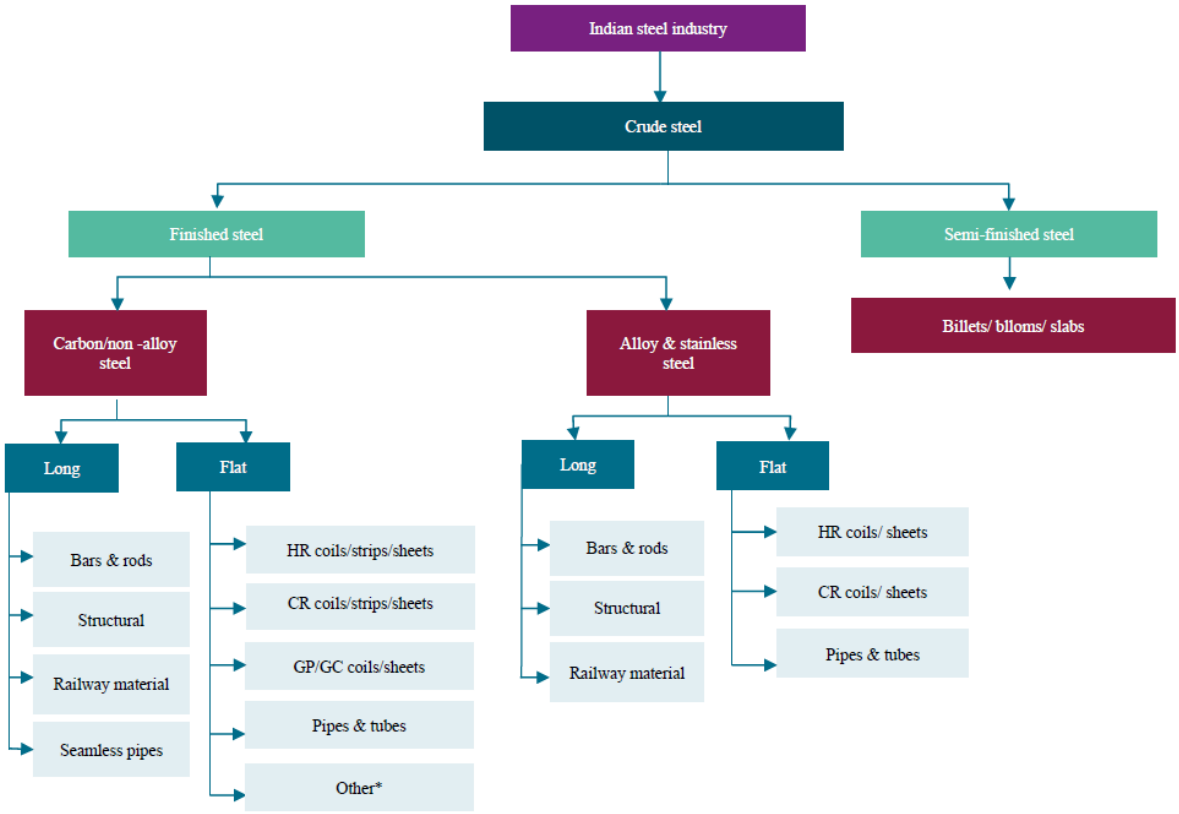
Oil India Limited has developed a bus powered by a 60-kW capacity hydrogen fuel cell and can run on electric power, too

6. Environment Protection (End-of-Life Vehicles) Rules & Vehicle Scrapping Policy

The Ministry of Environment, Forest & Climate Change has notified a rule, effective April 2025, that complements the Vehicle Scrappage Policy launched by the Ministry of Road Transport and Highways (MoRTH) in 2021. The policy aims to phase out old and polluting end-of-life vehicles (ELVs) from the roads, with a multifaceted objective to reduce pollution, enhance road safety, stimulate the automotive industry and promote sustainable transportation. To achieve this, a comprehensive vehicle inspection and certification programme will be established to identify vehicles for scrapping. Participating vehicle owners will get incentives such as cash rewards, discounts on new vehicles and exemptions from registration fees. Furthermore, the MoRTH has approved 141 registered vehicle scrapping facilities (RVSFs) for environmentally responsible disposal of old vehicles; more such facilities will be set up. To promote the policy, the government will collaborate with industry stakeholders, including automotive manufacturers and dealers, and offer incentives to customers so as to develop a more sustainable and environmentally friendly transportation ecosystem.

India's steel industry: An overview

Structure of the industry



**Others include prime plate plates, hot strip mill plates, colour-coated coils/sheets, electrical coils/sheets, tin plates, tin-free steel, tin mill black plates, pipes, etc*

HR: hot rolled; CR: cold rolled

Source: CRISIL MI&A Consulting, industry

Note: Pipes and tubes included under both flat carbon/non-alloy steel segment and flat alloy & stainless-steel segment include hollow section pipes and welded pipes. Further, seamless pipes under long segment also include hollow section

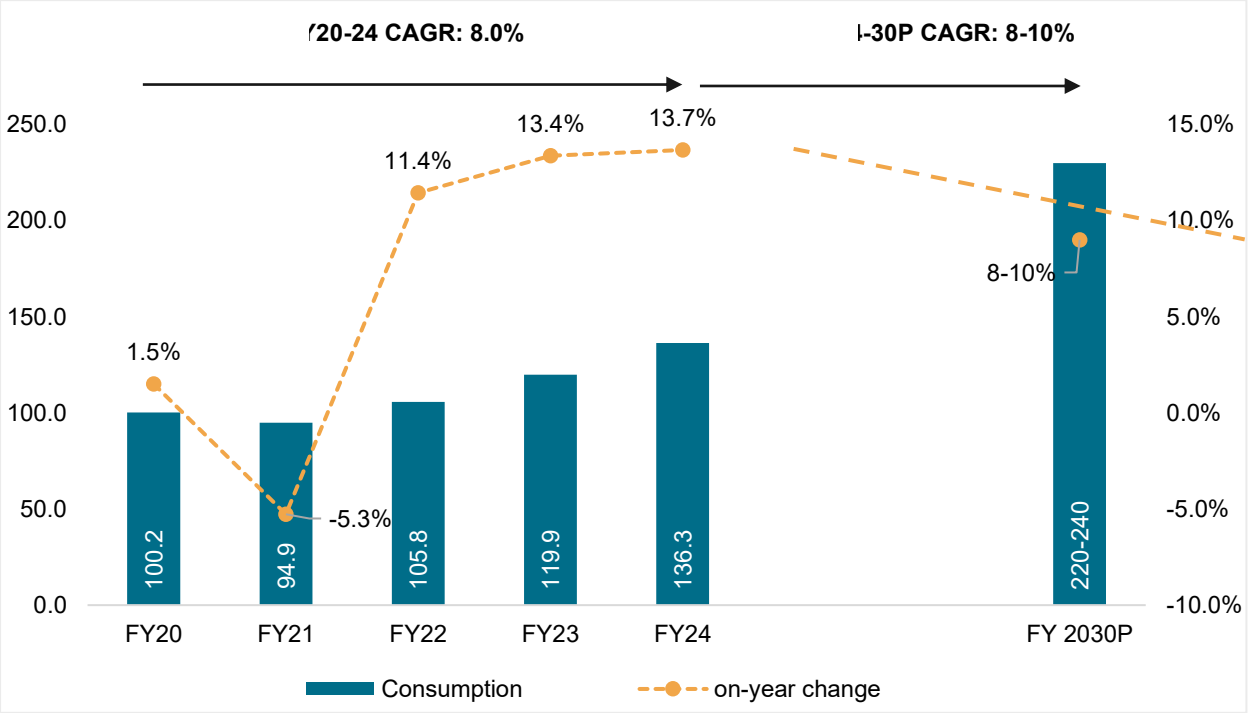
Steel is an alloy primarily composed of iron and carbon, with small amounts of other elements. It is one of the most versatile and widely used materials globally due to its strength, durability and recyclability. The steel industry plays a critical role in economic development, supporting infrastructure, construction, automotive and manufacturing sectors. The steel industry can be classified into crude steel, semi-finished steel and finished steel. Crude steel is the raw material produced in furnaces, serving as the foundation for further processing. Semi-finished steel includes intermediate products such as billets, blooms and slabs, which are inputs for rolling mills. Finished steel is the final product, categorised into carbon/non-alloy steel and alloy & stainless steel. Finished steel is further divided into long products (e.g., bars, rods, structural materials, railway components) and flat products (e.g., hot-rolled (HR) coils/sheets, cold-rolled (CR) coils/sheets, galvanised sheets). Alloy and stainless-steel products offer enhanced properties for specialised applications. Flat products are widely used in automotive and appliances, while long products dominate construction and infrastructure projects.

Consumption trend of finished steel

The domestic steel demand has logged a significant 8% CAGR between fiscals 2020 and 2024. In fiscal 2021, the industry saw a 5.3% on-year decline in demand due to the pandemic. Demand rebounded in fiscal 2022, growing 11.4% on-year, with a revival of industrial activities, release of pent-up demand and growth inducement in key end-use sectors.

Steel demand grew 13.4% to 136.3 MT in fiscal 2024 from 100.2 million tonne (MT) in fiscal 2020, owing to the aggregate effect of growth in the end-use sectors of steel — such as automobile, infrastructure and construction — and the market volatility faced during the pandemic. The increase in demand is expected to accelerate at a CAGR of ~8-10% by fiscal 2030, rising to 220-240 MT.

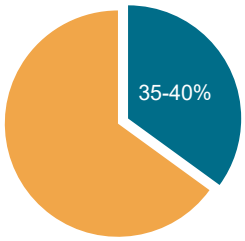
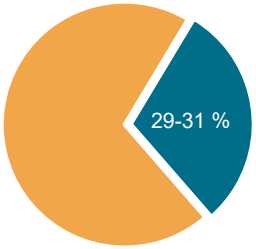
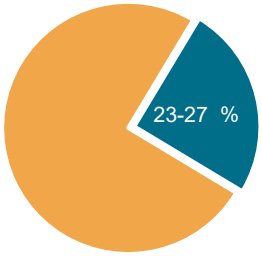
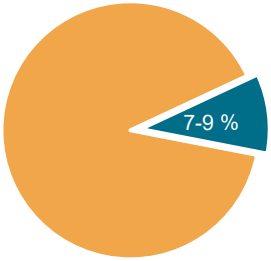
Domestic steel consumption (MT)



P: Projected
Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

Building and construction (B&C), infrastructure and engineering, and packaging sectors make up ~90% of the aggregate demand for finished steel; B&C has the largest share. Infrastructure projects, housing and construction sectors are expected to spearhead the growth in steel demand between fiscals 2025 and 2030. Projects such as the Pradhan Mantri Awas Yojana (PMAY) and the National Infrastructure Pipeline (NIP) will help sustain the growth momentum.

Steel consumption break-up by use

SEGMENT	SHARE OF CONSUMPTION	GROWTH IN FY20-24	GROWTH IN FY25-30P	Application	DEMAND DRIVERS
BUILDING AND CONSTRUCTION		5.4%	6–8%	• Reinforced concrete structures • Roofing & cladding • Prefabricated buildings • Doors, windows, staircases	• Affordable housing • Pick-up in rural housing (healthy rural sentiments) • Commercialisation of Tier III and IV cities
INFRASTRUCTURE		8.8 %	10–12%	• Bridges (girders, trusses) • Rail/Metro infrastructure • Roads & highways (guardrails, crash barriers) • Airports, ports	• Investment in developing 2,843 km of dedicated freight corridor; ~4,300 km more proposed • Investment of Rs 24.93 thousand crore for urban infrastructure like mass rapid transit system (MRTS)
ENGINEERING AND PACKAGING		8%	8–10%	• Industrial machinery • Power equipments (boilers, turbines) • Transmission towers • Earthmoving equipments • Food and beverages cans • Aeosol containers • Paint cans, Bottle caps & closures	• Push for sustainability will lead to increased steel demand • Government initiatives like Atmanirbhar Bharat and PLI schemes increased domestic manufacturing
AUTOMOTIVE		3.8%	5-7%	• Car body panels • Chassis & suspension • Engine & transmission parts • Wheels & bumpers	• Automotive production expected to drive demand growth, with cars/utility vehicles growing 1-3% • Tractor production forecast to increase 6-8% in fiscal 2025 due to favourable weather and government measures • Two-wheeler production anticipated to grow 15-17% in fiscal 2025 due to rural market recovery and premiumisation

Note: This is not an exhaustive list. Other segments include industries such as capital goods and consumer durables, among others

Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

Infrastructure to drive steel demand

The infrastructure sector is poised to be a significant driver of domestic steel demand; it currently accounts for approximately 30% of the demand. Over the next five years, this sector is expected to log a CAGR of around 11%.

Key drivers of infrastructure growth

Some initiatives that are expected to fuel the growth of the infrastructure sector:

Substantial budgetary allocation: The government has allocated Rs 630 thousand crore for road, railway and urban development, representing a 4% on-year increase. Although the increase is marginal, the capital expenditure (capex) allocation remains significant.

Bharatmala Pariyojana: This scheme aims to improve efficiency in the road sector, with Phase I targeting the development of 34,800 km, including 24,800 km of various categories of roads and 10,000 km of residual National Highways Development Project (NHDP) work. Approximately 26,425 km of work has been awarded under the Rs 5.35 lakh crore project and 18,714 km completed as of October 2024.

Smart Cities project: The proposed investment of Rs 2.05 lakh crore into the National Smart Cities Mission is expected to boost infrastructure development, driving demand for steel.

Key infrastructure signposts and demand drivers:

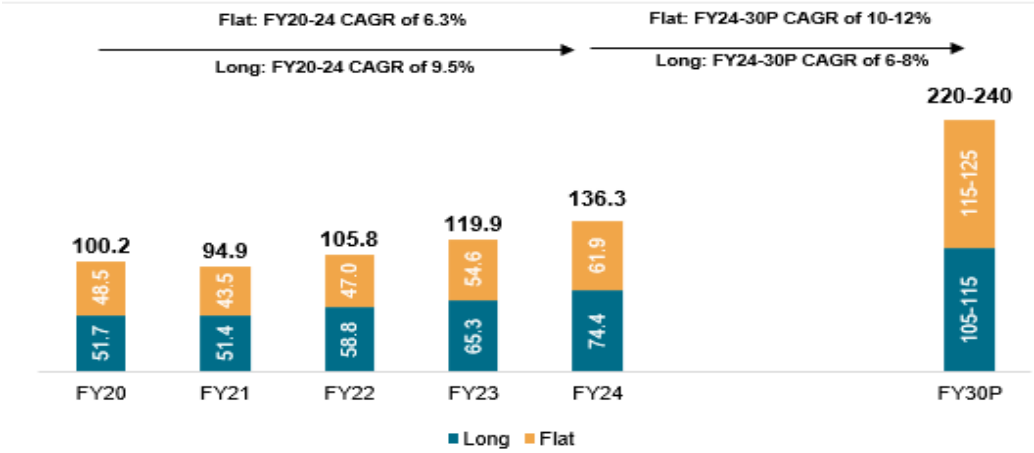
Scheme	PMAY - G	PMAY-U	Sagarmala	Freight Corridor
Initial Target	~38 Mn Houses	~12 Mn Houses	839 Projects	2843 Km of Railway lines
Project Duration	FY 2015-2029	FY 2015-2027	FY 2015-2035	FY 2006-2025
Status as of 2024	• As of Mar 25, ~27.2 Mn houses constructed • ~8.4 Mn units under construction	• As of March 25, ~9.2 Mn houses constructed • ~2.1 million houses under construction	• As of Apr 2024, 262 projects completed • ~577 projects are under implementation and various stages of development.	• As of Feb 2024, ~2741 kms completed (under both EDFC and WDFC). • EDFC completed fully while WDFC on the verge of completion • ~100% of land acquired for WDFC, except ~1.87 km left to be acquired
Schemes Completion as of Dec'24 (In %)	~76% of the sanctioned units	~78% of the sanctioned units	~21% of the total projects	~96% physical progress ~93% financial progress
Est steel demand till 2024 (In MT)	50-60		5-7	6-7
Revised Target	Additional 20 Mn houses	Additional 10 Mn houses	-	Additional ~4300 Km New Lines to be added (Still in proposal stage)
Projected steel demand for balance project duration	40-45 MT		13-14	-

Source: Industry, Crisil Intelligence

Steel consumption by category

The Indian steel industry has witnessed a steady uptrend in demand, with consumption growing from approximately 100 million tonnes (MT) in Fiscal 2020 to around 136 MT in Fiscal 2024. This translates to a compound annual growth rate (CAGR) of 8% over the four-year period. The key drivers of this growth are the automotive and infrastructure sectors, which are experiencing significant expansion and development. In line with this growth trajectory, the Government of India has set an ambitious target of increasing the country's steel production capacity to 300 million tonnes by 2030, as outlined in the National Steel Policy 2017. This policy

initiative is expected to provide a supportive framework for the industry's continued growth, driven by increasing demand from core sectors such as construction, infrastructure, and automotive.



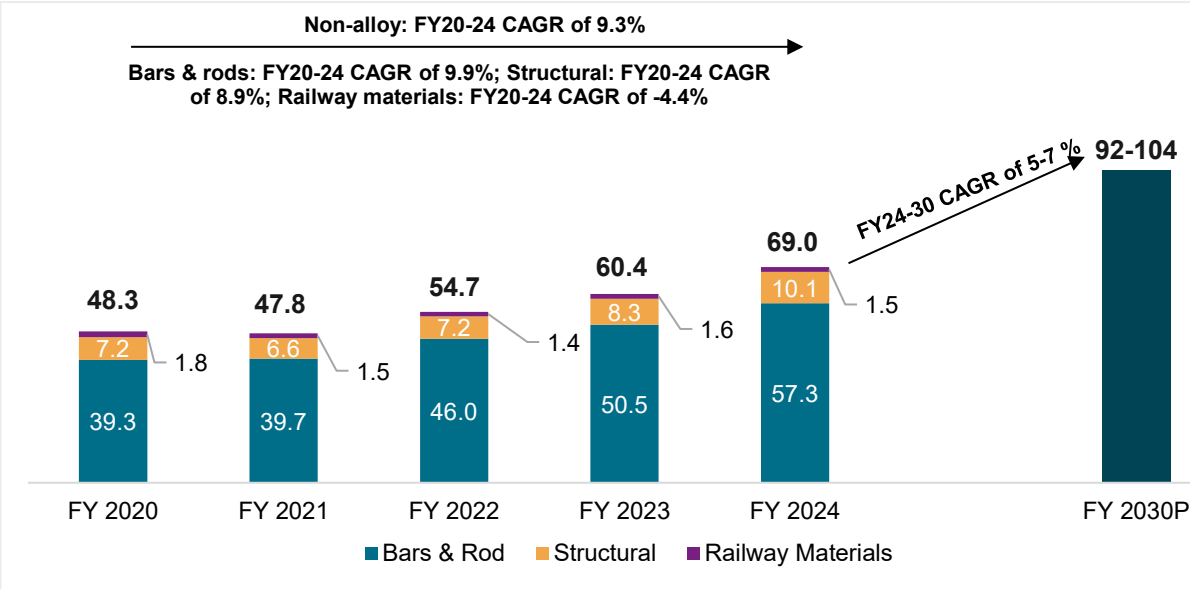
Consumption of long and flat products (MT)

P: Projected
Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

Demand for long steel increased at 9.5% CAGR between fiscals 2020 and 2024, led by growth in infrastructure and in the building and construction sector. Demand for flat steel rose 6.3% CAGR. This increased the share of long steel in overall demand for finished steel to ~55% in fiscal 2024 from ~52% in fiscal 2020.

The resolution of the supply chain issues in the automobile segment and an increase in demand in construction and infrastructure segments are expected to give flat steel demand a CAGR of 10-12% between fiscals 2024 and 2030. This would outpace the demand growth of long steel, which is set to clock a CAGR of 6-8% in the period owing to positive sentiments in the private housing construction sector and the government's robust push for infrastructure development.

Non-alloy long steel consumption (MT)



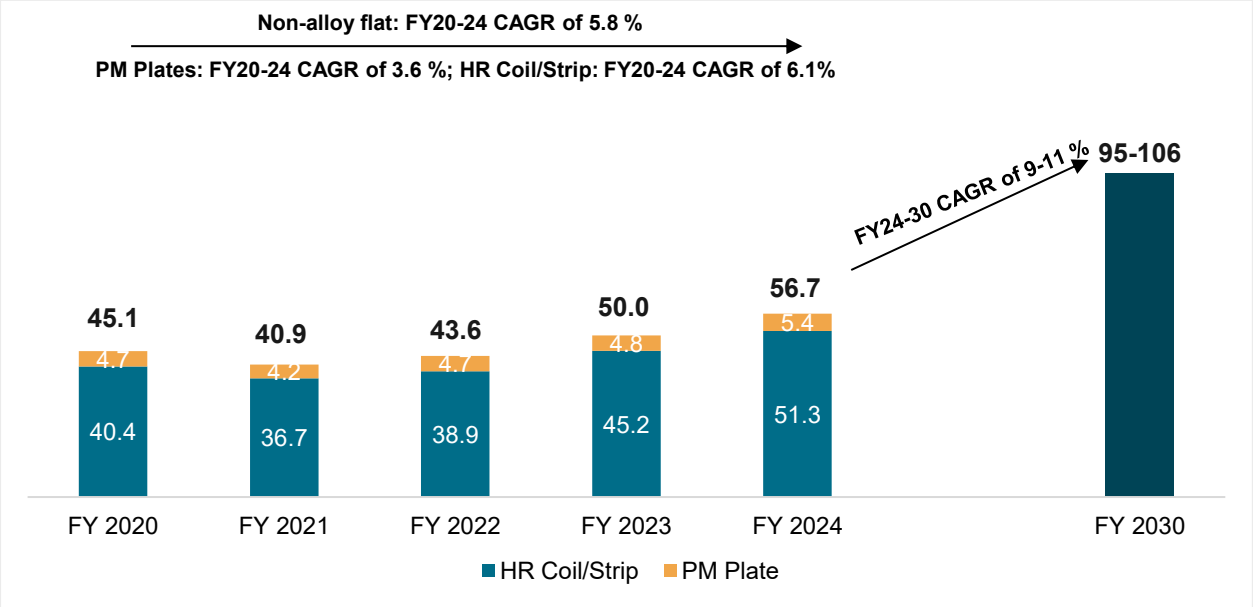
Source: Crisil intelligence, industry, Joint Plant Committee (JPC)
Note: Bars & rods production volume considers seamless pipes as well

Consumption of non-alloy steel has shown consistent growth across key categories, driven by infrastructure expansion and industrial development. Between FY20 and FY24, the demand for bars and rods increased from 39.3 MT to 57.3 MT, representing a CAGR of 9.9%. The consumption of structural steel, used in buildings and heavy infrastructure, rose from 7.2 MT to 10.1 MT during the period, with a CAGR of 8.9%. However, the demand for railway materials declined from 1.8 MT in FY20 to 1.5 MT in FY24, reflecting a negative CAGR of 4.4%, due to slower growth in railway infrastructure projects as well as the pandemic-induced lockdowns.

The broader trend in Indian steel consumption highlights a strong growth in long steel products, which cater primarily to the construction and infrastructure sectors. Between FY20 and FY24, long steel demand clocked a CAGR of 9.5%, outpacing that of flat steel products, which grew at 6.3%. By FY24, consumption of long steel reached 74.4 MT compared with 61.9 MT for flat steel. This growth was fuelled by significant investments in urban development, housing projects and large-scale infrastructure initiatives under government programmes, such as the National Infrastructure Pipeline (NIP).

India's strategic focus on infrastructure development positions it well to see sustained growth in non-alloy long steel consumption. The country's growing urbanisation, rising middle class and increasing investments in housing and industrial projects are expected to drive the demand further. It is expected to grow at a CAGR of 5-7% between fiscal 2024 and 2030.

Non-alloy flat steel consumption (MT)



Source: Crisil intelligence, industry, Joint Plant Committee (JPC)

India's non-alloy flat steel consumption demonstrated a steady growth trajectory from FY20 to FY24, fueled by robust demand across key sectors. Consumption increased from 45.1 MT in FY20 to 56.6 MT in FY24, reflecting a compound annual growth rate (CAGR) of 5.8%. This growth was primarily driven by the HR coil/strip segment, which grew at a CAGR of 6.1%, compared to a slower 3.6% CAGR for PM plates.

The decline in consumption during FY21 (40.9 MT) was due to the COVID-19 pandemic, which disrupted industrial activity and demand across construction, automotive, and manufacturing sectors. However, recovery began in FY22 (43.5 MT) as economic activity resumed, supported by government infrastructure investments and rising demand in automotive and capital goods industries.

HR coil/strip consumption consistently outpaced PM plates due to its widespread application in automotive manufacturing, construction, and general engineering. By FY24, HR coil/strip accounted for 51.3 MT of total consumption, while PM plates contributed 5.4 MT. The non-alloy flat consumption is expected to grow at a CAGR of 9-11% between fiscal 2024 and fiscal 2030.

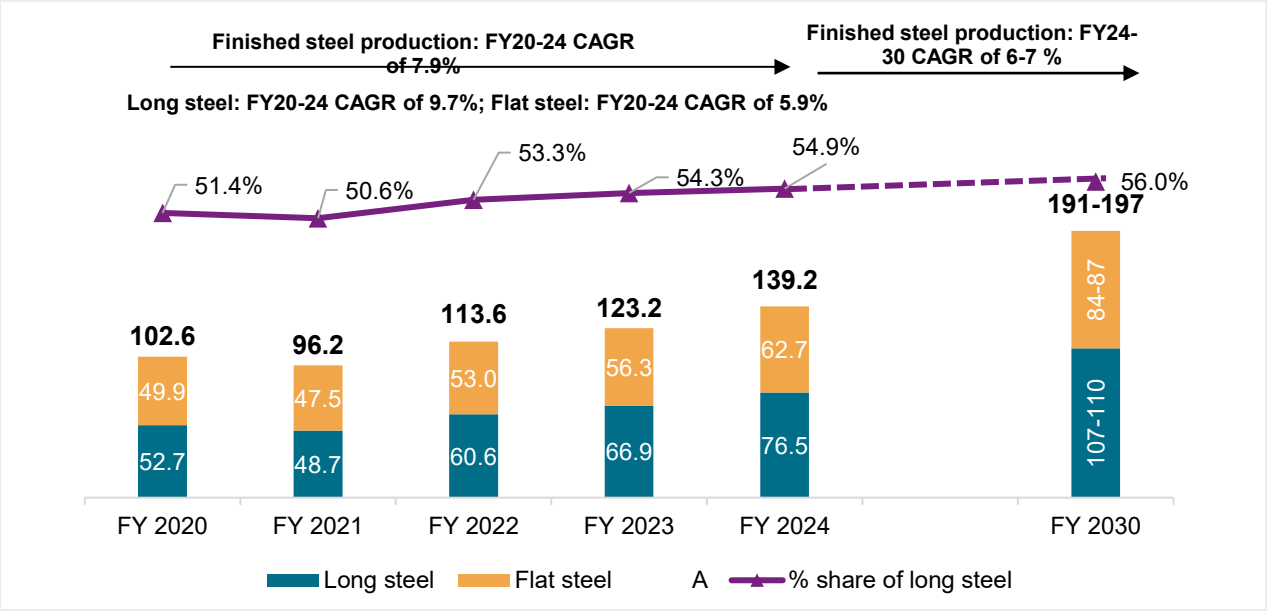
India's finished steel production trend

By product

Long products: Finished long steel products are typically produced by hot rolling/forging of bloom/billets/ingots into useable shape/sizes. These are normally supplied in straight length/cut length, except wire rods, which are supplied in wound coils. The types of long products include bar and rods (thermo-mechanically treated (TMT) bars, wire rods, round bars, etc), structural steel (angles, channels, beams, fabricated sections, girders, etc), and railway materials.

Flat products: Flat products are produced from slabs/thin slabs in rolling mills using flat rolls, and comprise hot rolled (HR) and cold rolled (CR) coils, coated products, etc. HR flat products are produced by re-rolling slabs/thin slabs at high temperature (above 1,000^{0}C) in plate mills or in hot strip mills. CR coils/strips are produced by cold rolling HR coils/strips in cold rolling mills (normally at room temperature). CR coils/strips/sheets are characterised by lower thickness, better/bright finish and specific mechanical/metallurgical properties.

Finished steel production (MT)



Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

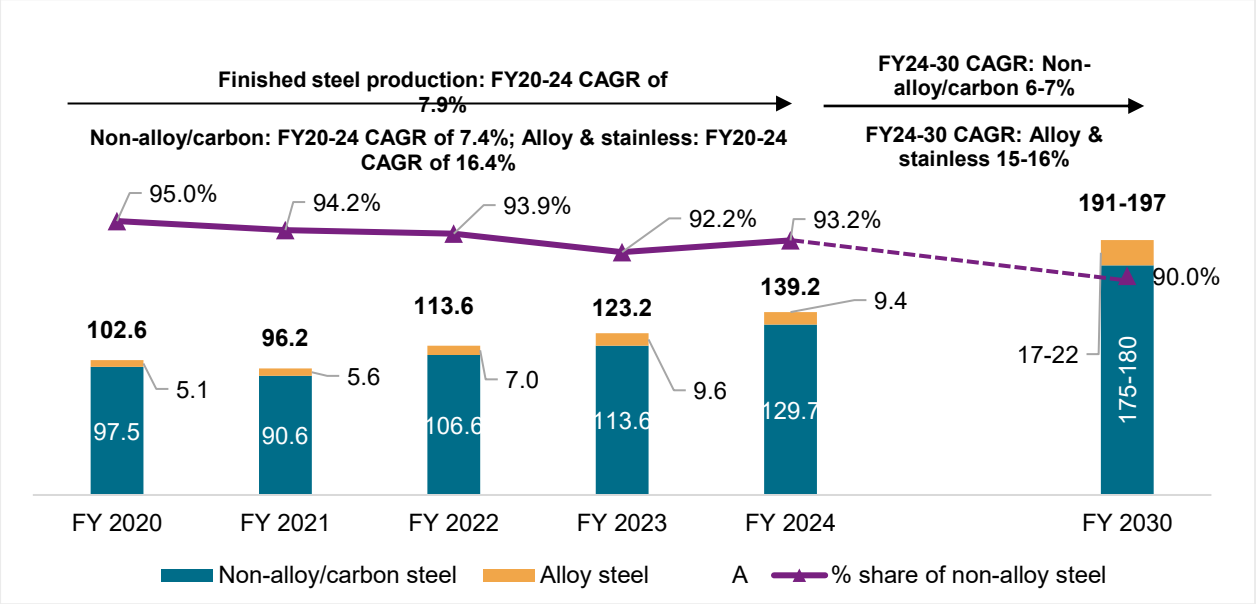
India's finished steel production saw robust growth from FY20 to FY24 — from 102.6 MT to 139.2 MT — driven by a higher growth rate in the production of long steel production than flat steel. Long steel output increased from 52.7 MT to 76.5 MT, a CAGR of 9.7%. Output of flat steel grew from 49.9 MT to 62.7 MT, a CAGR of 5.9%. The share of long steel in overall steel production rose from 51.4% in FY20 to 54.9% in FY24, likely due to demand from the infrastructure and construction sectors.

By composition

Alloy steel: Steel that is produced with one or more elements in specified proportions to impart specific physical, mechanical, metallurgical and electrical properties is called alloy steel. Stainless steel is a type of alloy steel. Alloy/stainless steel is manufactured in different grades, with varying proportions of carbon and other elements. Common elements used to make alloys are manganese, silicon, nickel, lead, copper, chromium, tungsten, molybdenum, niobium and vanadium. Alloy/stainless steel is used in forgings, tools and dies, bearings, fasteners, etc, which are subsequently used by end-use sectors such as automobiles, power, oil and gas, industrial machines, railways/mass rapid transport systems and defence to manufacture products such as crankshafts, connecting rods, cam shafts, bearings, fasteners, railway carriage wheels, bomb shells, cutting tools, surgical instruments and utensils, among others.

Non-alloy steel: Non-alloy or carbon steel comprises iron and carbon. It has a 93-95% share in India's finished steel production in the past five years). The main components of this steel are carbon, manganese and silicon in proportions of up to 1.70%, 0.90% and 0.30%, respectively. A change in the composition of carbon affects the properties of carbon steel. Steel, by definition, does not contain any alloying element. Non-alloy steel is used in construction, infrastructure, automobiles, consumer durables and other sectors. Popular applications include buildings, bridges, rails, pipelines, body panels for cars, refrigerators and washing machines.

Non-alloy vs alloy steel production (MT)



Source: CRISIL MI&A Consulting, industry, Joint Plant Committee (JPC)
Note: Alloy steel production volume considers stainless steel as well.

India's finished steel production between FY20 and FY24 highlights the dominance of non-alloy/carbon steel, which consistently accounted for over 92% of the total production. Non-alloy steel production increased from 97.5 MT in FY20 to 129.7 MT in FY24, a CAGR of approximately 7.4%. Alloy steel, including stainless steel, clocked a faster CAGR of 16.5%, rising from 5.1 MT in FY20 to 9.4 MT in FY24, though its share remained relatively small at 6-8%. Total finished steel production expanded from 102.6 MT in FY20 to 139.1 MT in FY24, driven primarily by the growth in non-alloy steel.

Non-alloy steel products

Bars and rods: Bars and rods are long, hot-rolled steel products that come in various shapes, including round, square, and rectangular. They are typically used in construction for reinforcement purposes, such as in concrete structures, and are also processed further into other products. They are known for their strength, ductility and weldability.

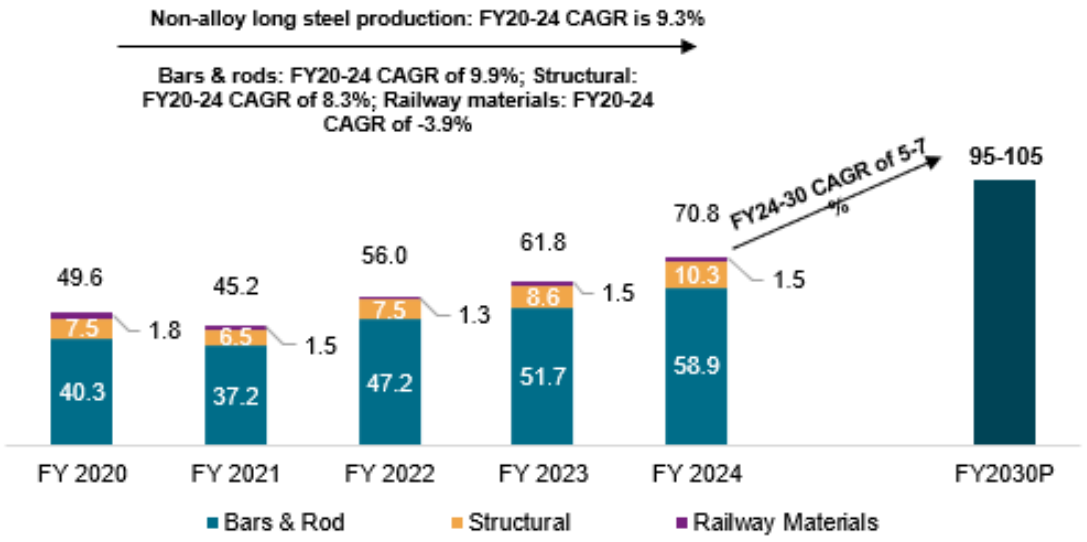
Seamless pipes: Seamless pipes are manufactured without welded joints, and this gives them superior strength and reliability. They are produced through processes such as piercing and elongation of solid steel billets. Seamless pipes are particularly valued in high-pressure applications, making them essential for industries such as oil and gas, automotive and construction. Their ability to withstand extreme conditions without compromising integrity makes them a preferred choice for many engineering applications.

Structural steel products: Structural steel products are essential components in the construction and infrastructure sectors, providing the framework for buildings, bridges and other structures. These products include beams, columns, angles, channels and plates. They are designed to bear loads and provide stability. Structural

steel is known for its high strength-to-weight ratio, making it an ideal choice for large-scale construction projects. The versatility of structural steel allows it to be used in various forms, including rolled sections and fabricated shapes.

Railway materials: Railway materials encompass a range of products specifically designed for the construction and maintenance of railway infrastructure. This category includes rails, sleepers, fish plates, and other components that ensure safe and efficient train operations. Rails are typically made from high-strength steel to withstand heavy loads and dynamic forces from trains.

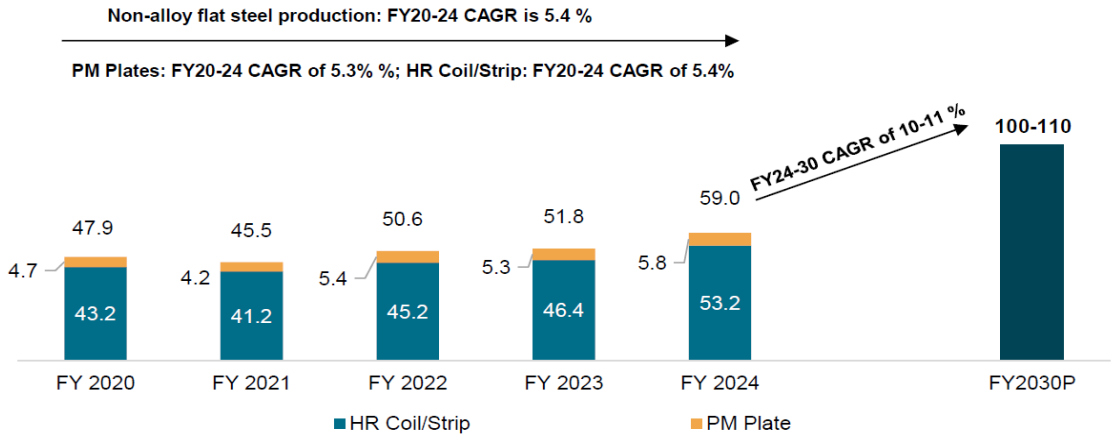
Non-alloy long steel production (MT)



Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)
Note: Bars & rods production volume considers seamless pipes as well

India's non-alloy long steel production data from FY20 to FY24 highlights the dominance of bars and rods, which consistently accounted for over 81% of non-alloy production. Bars and rods production grew from 40.3 MT in FY20 to 58.9 MT in FY24, achieving a CAGR of 9.9%. The share of bars and rods in non-alloy production remained stable, reflecting its critical role in construction and infrastructure sectors. Structural steel, the second-largest segment, saw a modest increase in production from 7.5 MT to 10.3 MT, with its share fluctuating slightly between 13.4% and 15.1%. Railway materials maintained a small yet consistent contribution of 2-3%, with production remaining steady at approximately 1.5 MT annually.

Non-alloy flat steel production (MT)



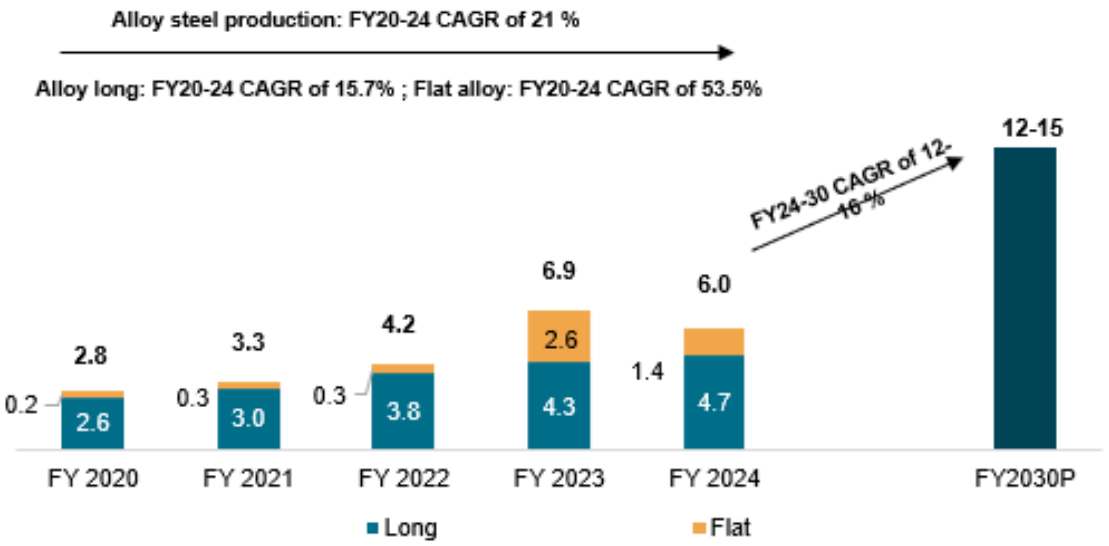
Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

India's non-alloy flat steel production exhibited a steady growth trend between FY2020 and FY2024, with a Compound Annual Growth Rate (CAGR) of 5.4%. Starting at 47.9 million tonnes (MT) in FY2020, production dipped slightly to 45.5 MT in FY2021, due to disruptions caused by the COVID-19 pandemic. However, the sector rebounded in subsequent years, reaching 50.6 MT in FY2022 and 51.8 MT in FY2023, before achieving a significant peak of 59.0 MT in FY2024. This recovery highlights the resilience of India's steel industry, driven by rising domestic demand and infrastructure development.

Production is primarily dominated by Hot Rolled (HR) Coil/Strip, which consistently accounted for over 90% of total output across the years, growing at a CAGR of 5.4%. PM Plates, while contributing a smaller share, also grew at a healthy CAGR of 5.3%, reflecting balanced growth across segments. The sharp rise in FY2024, with HR Coil/Strip reaching 53.2 MT and PM Plates hitting 5.8 MT, underscores strong demand recovery.

Looking ahead, the sector is projected to grow at an accelerated CAGR of 10-12% from FY2024 to FY2030, fueled by government initiatives in infrastructure and manufacturing, positioning India as a key player in global steel production.

Alloy steel production (MT)



Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

India's alloy steel production witnessed robust growth from FY2020 to FY2024, with a Compound Annual Growth Rate (CAGR) of 21%. Total production increased from 2.8 million tonnes (MT) in FY2020 to 6.0 MT in FY2024, driven by strong demand across both long and flat alloy steel segments. The long alloy steel segment grew at a CAGR of 15.7%, rising from 2.6 MT in FY2020 to 4.7 MT in FY2024, supported by increased construction activities and infrastructure projects. Meanwhile, the flat alloy steel segment saw remarkable growth at a CAGR of 53.5%, albeit from a smaller base, increasing from 0.2 MT in FY2020 to 1.4 MT in FY2024, reflecting its growing adoption in automotive and manufacturing sectors.

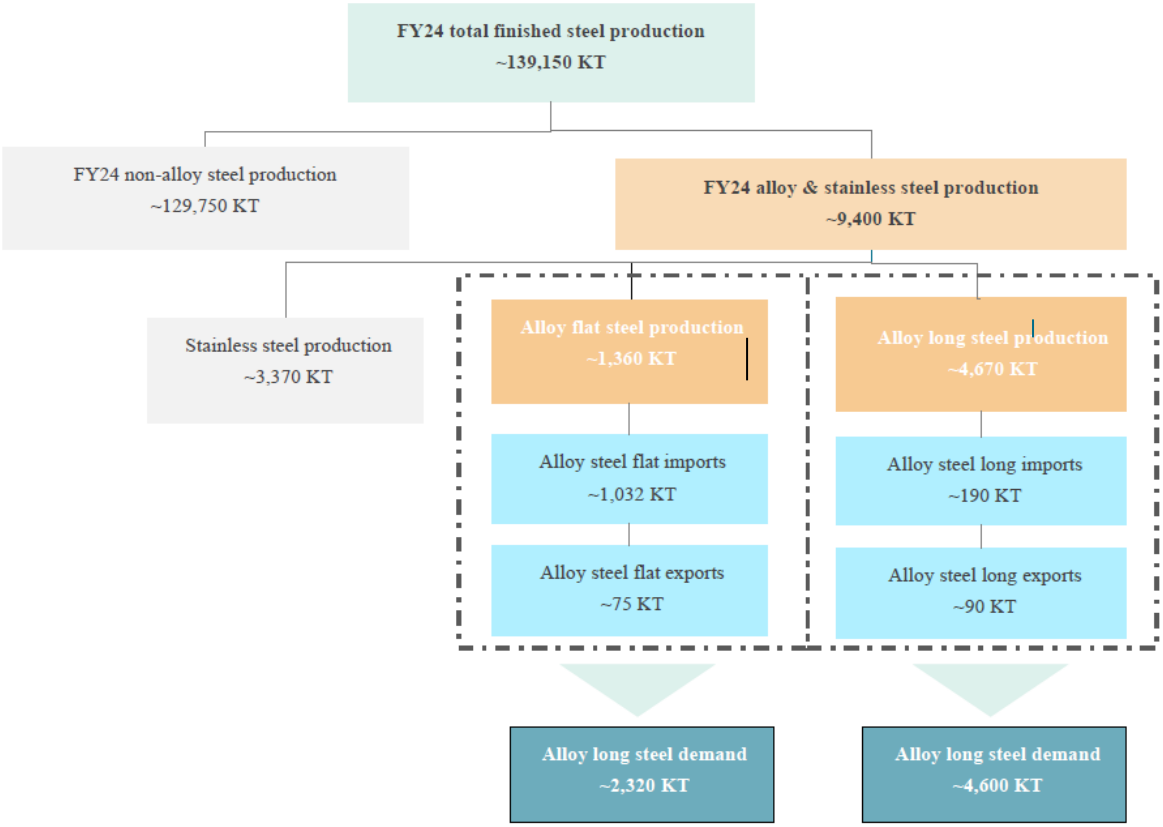
The sharp rise in production can be attributed to government initiatives like "Make in India" and the National Infrastructure Pipeline (NIP), which boosted the demand for alloy steel in critical sectors such as construction, railways, and automotive manufacturing. Additionally, the push for electric vehicles (EVs) and renewable energy projects has driven demand for high-strength flat alloy steel products. Looking ahead, the sector is projected to grow at a CAGR of 12-16% through FY2030, underpinned by sustained industrial growth, urbanization, and export opportunities for value-added steel products.

Overview of the alloy steel industry

Overview

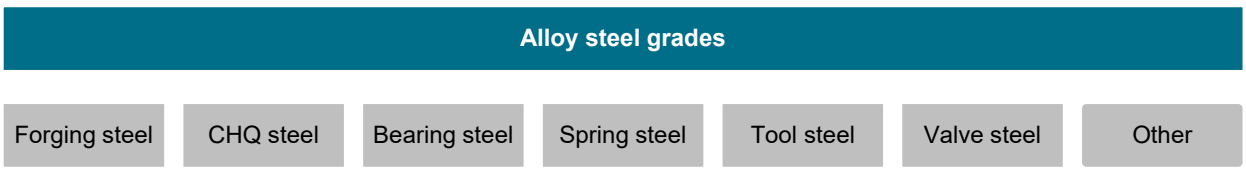
Alloy steel long products, encompassing a diverse range of structural shapes, bars, rods, and wires, play a vital role in the Indian steel industry, with the incorporation of alloying elements such as chromium, nickel, molybdenum, and vanadium enhancing their mechanical properties and rendering them ideal for various applications. They are widely used in various industries, including construction, automotive, energy, defence and manufacturing, where their superior performance, wear resistance, and ability to maintain properties at high temperatures are valued.

In addition to long products, alloy steel flat products, such as plates, sheets, and coils, also play a significant role in the industry. These flat products are used in applications where high strength, corrosion resistance, and formability are essential, such as in the manufacture of automotive components, industrial equipment, and construction materials.



Source: CRISIL Intelligence, industry, Joint Plant Committee (JPC)
Note: some of the alloy long production is considered as stock

Alloy steel grades



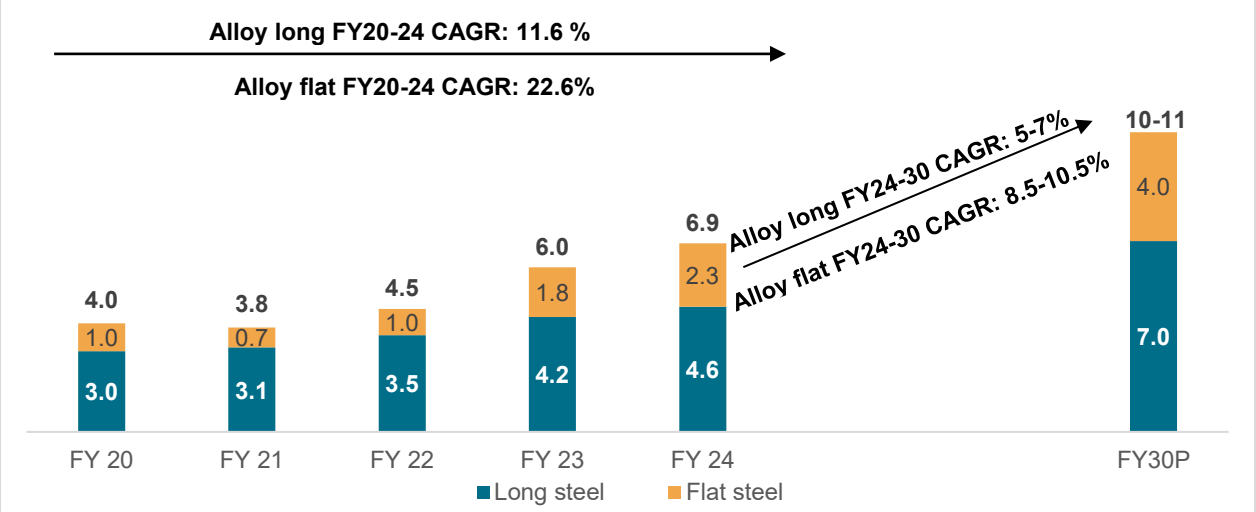
Source: CRISIL Intelligence, industry
Other includes free cutting grade steel etc

Manufacturing Overview

Source: CRISIL Intelligence Consulting, industry

The production of alloy steel involves a multi-step process that commences with the meticulous selection and preparation of high-quality raw materials, including iron ore, scrap steel, and alloying elements. The raw materials are then melted in an Electric Arc Furnace (EAF) or Basic Oxygen Furnace (BOF) to produce molten steel, which is subsequently transferred to a Ladle Refining Furnace (LRF) for alloying. The molten steel undergoes vacuum degassing to remove dissolved gases, followed by continuous casting into semi-finished forms, such as blooms, billets, or slabs. The cast blooms or billets are then subjected to rolling or hot forging processes to achieve the desired shapes and dimensions, enhancing the mechanical properties of the alloy steel. The steel is then heat-treated through processes like annealing, quenching, or normalizing to optimize its performance for specific applications. Finally, the processed steel undergoes machining or grinding operations to achieve precise dimensions and surface finishes, resulting in a high-quality alloy steel product with improved mechanical properties, suitable for a wide range of applications. This rigorous process ensures the production of high-quality alloy steel with precise control over chemical composition and properties.

Alloy steel consumption (million tonnes)



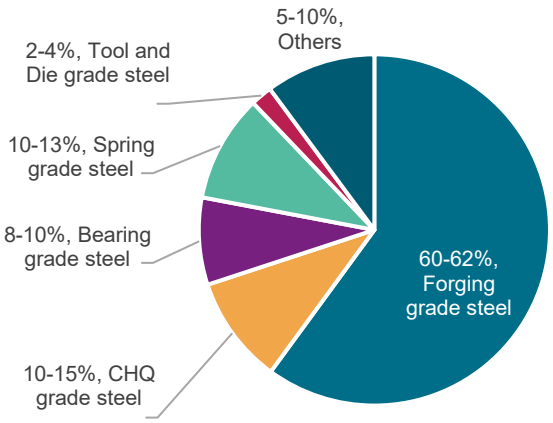
Source: CRISIL Intelligence Consulting, industry, Joint Plant Committee (JPC)

India's alloy steel consumption has shown consistent growth, driven by demand from sectors such as automotive, construction, and manufacturing. Between FY20 and FY24, alloy long steel consumption grew at a compound annual growth rate (CAGR) of 11.6%, rising from 3.0 million tonnes in FY20 to 4.6 million tonnes in FY24. Alloy flat steel consumption exhibited even stronger growth, with a CAGR of 22.6%, increasing from 1.0 million tonnes in FY20 to 2.3 million tonnes in FY24. This growth reflects the increasing preference for high-performance materials that offer superior strength, durability, and corrosion resistance.

Looking forward to FY30, India's alloy steel market is poised for significant growth, with alloy long steel consumption projected to increase at a CAGR of 5-7% and alloy flat steel expected to grow at a higher CAGR of 8.5-10.5%. This anticipated expansion is driven by a combination of factors, including India's robust infrastructure development, rising vehicle production, and the adoption of advanced manufacturing technologies.

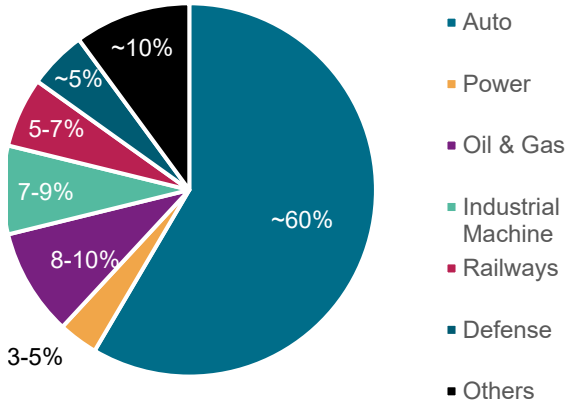
Demand segmentation (FY24)

By grade



Source: CRISIL Intelligence, industry
Other: valve steel, free cutting steel etc

By end-industry



Source: CRISIL Intelligence, industry

Application across key end-use industries

Alloy steel long products are integral to various industries due to their enhanced mechanical properties, such as strength, toughness, and resistance to wear and corrosion. Below is a detailed mapping of their applications across key sectors: infrastructure, automotive, defense, engineering, and railway.

Industry	Application	Steel grades	Popular grades
Automotive	Alloy steels are used in crankshafts, pistons, and turbochargers for their high tensile strength and heat resistance. Components such as frames and suspension benefit from the lightweight yet strong nature of alloy steel. Gears and shafts made from alloy steel ensure durability under high stress.	Forging steel, spring steel, bearing steel, CHQ steel, tool steel	4340, 55Si7, 60Si7, AISI 52100, SAE 1008, SAE 1010, D2
Power	Alloy steel is used in the manufacture of turbine blades, shafts, and other components due to its high strength, toughness, and resistance to fatigue. Also is used in the manufacture of boiler and piping systems due to its high temperature resistance and corrosion resistance.	Spring steel, CHQ steel, valve steel	4130, 4140, F11, F22, F9, SAE 8620
Oil & Gas	Alloy steel is used in the manufacture of drilling and completion equipment such as drill pipes, tubing, and casing due to its high strength, toughness, and resistance to corrosion. Also is used in the manufacture of valves, fittings and pipings due to its high strength, toughness, and resistance to corrosion.	Tool steel, spring steel, valve steel	4130, 4140, F22, D2
Industrial	Gears, shafts, and heavy machinery, bearings in industrial machinery. Tool steel is critical in manufacturing cutting tools, dies, and moulds due to its hardness and durability. Springs in industrial machinery (clutch springs, vibration dampers)	Forging steel, bearing steel, spring steel, tool steel	4140, AISI 52100 55Si7 H13

Industry	Application	Steel grades	Popular grades
Railway	Suspension springs for railcars, bearings in wheelsets, helical springs for shock absorption	Spring steel, bearing steel	SiCr Steels, AISI 52100 SiMn Steels
Defence	Alloy steels are used to manufacture firearms and ammunition due to their toughness and ability to withstand high pressure. Chassis and armour components made from alloy steel provide protection while maintaining mobility. Used in aircraft components such as landing gear for their strength-to-weight ratio. High-pressure valves, bearings for aerospace applications.	Spring steel, valve steel, bearing steel, CHQ steel	SiCr Steels, SAE 8620, SAE 8640 M50, SAE 1010
Infrastructure	Structural components such as beams, columns, reinforcement bars; valves for water and gas pipelines, springs in suspension bridge cables, pre-stressed concrete, bearings in movable bridges and signaling systems, fasteners for construction rail tracks and tunnel reinforcements	Forging steel, tool steel, spring steel, bearing steel, CHQ steel	4140, H13, 55Si7, 60Si7, AISI 52100, SAE 1008, SAE 1010
Tractor	Alloy steel is a critical component in the manufacture of tractors, where it is utilized in a variety of key applications, including: gears, shafts, axles, valve bodies and drive shafts. Its high strength, durability, and resistance to wear and tear make it an ideal material for these components, enabling tractors to withstand the rigors of heavy use and harsh operating conditions.	Forging steel, spring steel, CHQ steel,	4140, 4340, SAE 20MnCr5

Source: CRISIL Intelligence Consulting, industry

Key growth drivers for alloy steel:

Government Initiatives: Alloy steel is extensively used in infrastructure projects due to its enhanced strength, corrosion resistance, and durability. With India's focus on large-scale infrastructure development, including highways, railways, metro systems, and urban housing under initiatives like PM Gati Shakti and Smart Cities Mission, the demand for alloy steel has surged. The material is particularly critical for bridges, high-rise buildings, and industrial structures where superior performance is required. These projects demand higher-quality materials than non-alloy steel can provide, boosting alloy steel consumption.

Construction Sector: The construction industry in India is a significant consumer of alloy steel, driven by its need for high-strength, durable materials. With the sector expected to grow 6-8% annually between FY26 and FY30, alloy steel demand is poised to increase, driven by infrastructure projects such as roads, railways, and urban development, which require superior performance and durability.

Urbanization: Rapid urbanization and real estate development require durable materials for high-rise buildings and industrial structures, where alloy steel is preferred for its strength and corrosion resistance. The increase in urbanisation over the past decade is driving demand for all end-use segments. It is expected ~40% of the population will be based out India's towns and cities by 2036, which is up from 30% in 2011, contributing to 70%

of the GDP. This trend of a growing population with an average age of 29 years will drive the demand for alloy steel across all industries.

Oil & Gas Industry: The oil and gas sector in India is a significant consumer of alloy steel, driven by its requirement for high-quality, heat- and corrosion-resistant materials. With a robust 6-10% CAGR in natural gas demand projected between fiscal 2026 and 2030, and a 2-4% CAGR in crude oil demand up to 2028, the demand for alloy steel is poised to increase, driven by the expansion of the oil and gas pipeline network, which necessitates the use of durable and reliable materials that can withstand harsh conditions. The growth in pipeline infrastructure, with over 10,805 Kms of natural gas pipeline under development, will particularly drive the demand for alloy steel, which offers unique properties such as corrosion resistance and high-temperature strength, making it an essential material for pipeline construction. The length of operational Natural Gas Pipeline in the country has increased from 15,340 Km in 2014 to 24,945 Kms as on 30.09.2024.

Power Sector: The power sector in India is a significant consumer of alloy steel, driven by its requirement for high-quality, durable, and corrosion-resistant materials. With power demand projected to grow at a CAGR of 5-7% between fiscal 2025 and 2030, and a shift towards renewable energy sources, the demand for alloy steel is poised to increase, driven by the need for specialty steels in the construction of wind turbines, solar panels, and other renewable energy infrastructure. The growth in conventional capacity additions, as well as investments in clean-energy supply, will particularly drive the demand for alloy steel, which offers unique properties such as high strength, toughness, and resistance to corrosion, making it an essential material for power generation.

Defence Sector: Investments India's increasing defense spending is driving the consumption high-grade alloy steel in the production of weapons systems and armored vehicles. India's defence sector achieved significant milestones in fiscal 2024, showcasing robust growth and global recognition. Defence exports reached a record high of ₹23,622 crore, marking a 12.04% increase from the previous year, driven by contributions from Defence Public Sector Undertakings (DPSUs) and private entities. Indigenous production also saw substantial progress, with defence manufacturing valued at ₹1.26 lakh crore, a 16.7% rise over FY 2023-248. Key advancements included testing hypersonic missiles, inducting Light Combat Aircraft Tejas Mk1A, and expanding export markets to 80 countries. Strategic reforms like simplified licensing processes and increased foreign direct investment (FDI) limits bolstered domestic capabilities. Looking ahead, India aims to achieve ₹50,000 crore in defence exports by 2029 and grow production to ₹3 lakh crore by FY29.

Tractors: In FY26, India's tractor production is anticipated to experience a 5-7% year-on-year growth, contingent upon a normal monsoon season and stable agricultural conditions. This upward trend is expected to be driven by an increase in farmers' disposable income, bolstered by a robust rabi harvest, higher Minimum Support Prices (MSPs), and an anticipated rise in government crop procurement. Furthermore, favorable rural liquidity, facilitated by timely payments to farmers and improved credit availability, is likely to support tractor production. The growth in tractor production is poised to drive demand for alloy steel, a critical component in tractor manufacturing. A range of alloy steel grades are utilized in tractor production, These specialized alloy steel grades offer a unique combination of strength, toughness, and resistance to wear and tear, fatigue, and corrosion, making them essential for the manufacture of high-performance tractors.

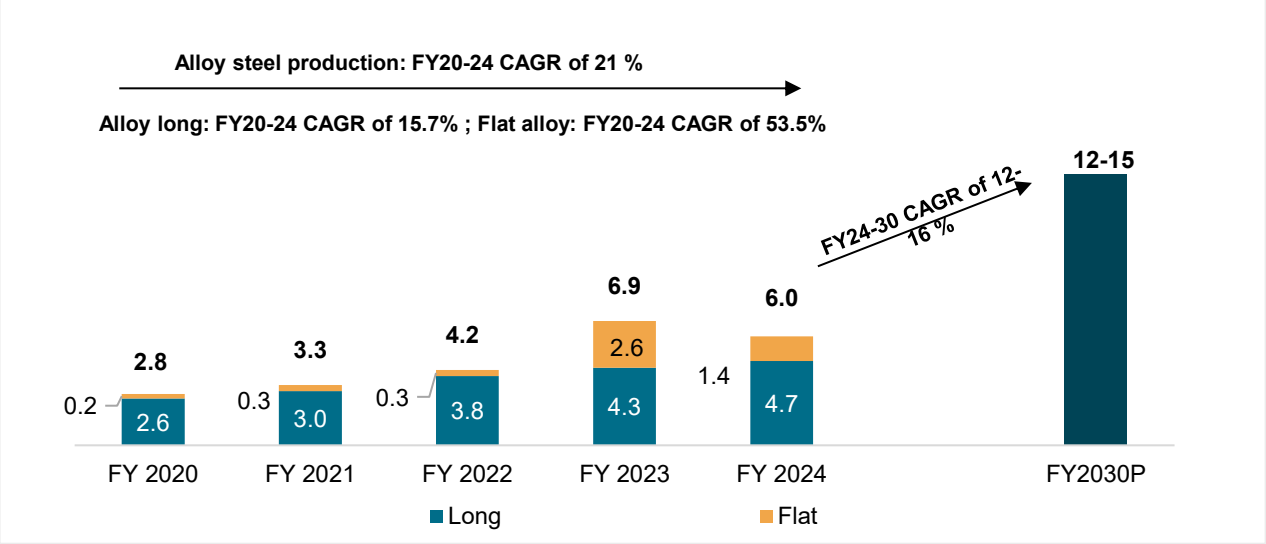
Export Opportunities The growing global demand for Indian-made industrial goods has created new opportunities for the production of high-quality alloy steels. As Indian manufacturers expand their export capabilities, they are increasingly seeking to produce high-grade alloy steels that can meet the stringent quality standards of international markets. The use of alloy steel in export-oriented industries, such as automotive and engineering, enables Indian manufacturers to produce high-quality products that can compete with global players.

Sustainability Focus The shift towards sustainable construction practices is driving the use of advanced materials like alloy steel, which offers longer life cycles and reduced maintenance costs. Alloy steel's unique properties, such as its high strength and resistance to corrosion, enable the construction of durable and long-lasting buildings

and infrastructure, which can reduce the need for frequent repairs and replacements. As India focuses on sustainable development and reducing its environmental footprint, the demand for alloy steel is expected to rise, driven by the need for materials that can support sustainable construction practices. The use of alloy steel in sustainable construction can help reduce waste, conserve resources, and minimize the environmental impact of building and infrastructure projects.

India's alloy steel supply overview

Alloy steel production (million tonnes)



Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

India's alloy steel production witnessed robust growth from FY2020 to FY2024, with a Compound Annual Growth Rate (CAGR) of 21%. Total production increased from 2.8 million tonnes (MT) in FY2020 to 6.0 MT in FY2024, driven by strong demand across both long and flat alloy steel segments. The long alloy steel segment grew at a CAGR of 15.7%, rising from 2.6 MT in FY2020 to 4.7 MT in FY2024, supported by increased construction activities and infrastructure projects. Meanwhile, the flat alloy steel segment saw remarkable growth at a CAGR of 53.5%, albeit from a smaller base, increasing from 0.2 MT in FY2020 to 1.4 MT in FY2024, reflecting its growing adoption in automotive and manufacturing sectors.

Volume growth in alloy steel: The Indian steel industry has exhibited a notable trend in recent years, characterized by alloy steel surpassing non-alloy steel products in terms of volume growth. Notably, alloy steel has achieved a remarkable compound annual growth rate (CAGR) of 20.6% from FY20 to FY24, with production expanding from 2.8 million tonnes (MT) to 6.0 MT. This substantial growth trajectory is primarily driven by the increasing adoption of alloy steel across diverse sectors, including automotive, construction, and consumer durables. Looking ahead, the demand for alloy steel is poised to rise further, fueled by its exceptional properties, such as high strength, corrosion resistance, and durability, which render it an indispensable material in key end-use industries. As the Indian economy continues to grow, driven by government initiatives and increasing consumer demand, the demand for alloy steel is expected to experience a significant uptick, driven by its versatility and critical applications in various sectors.

Key India alloy steel players

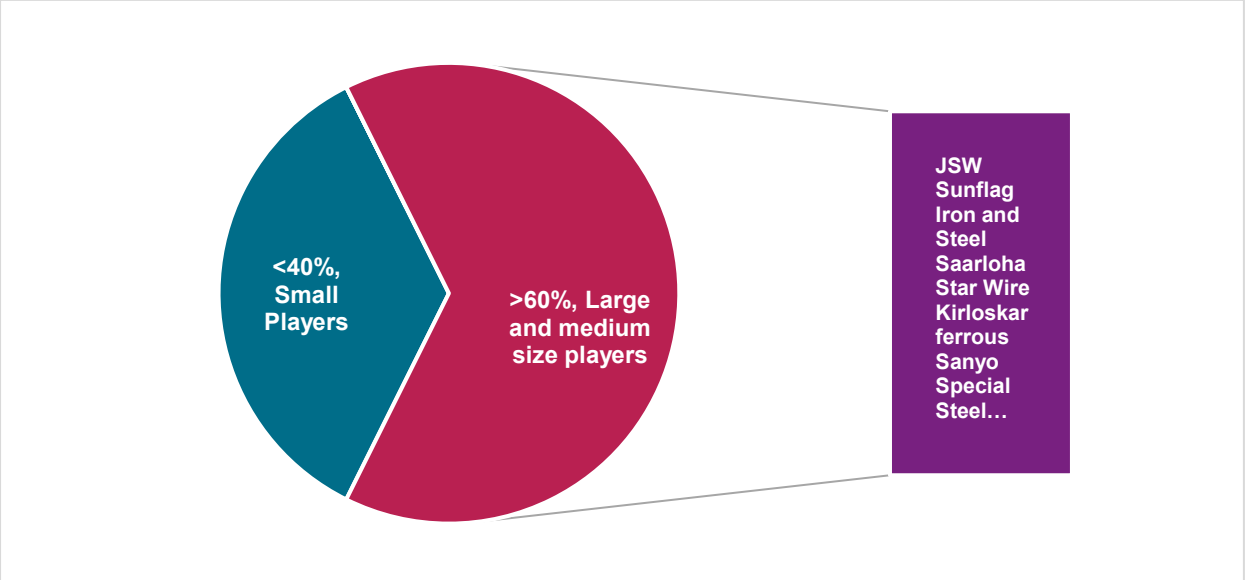
Company	Capacity FY24 (in MT)
JSW Limited	1.95
Jayasawal Neco	1.00*
Sunflag Iron & Steel	0.5

Saarloha	0.25
RL Steels	0.18
Sanyo Special Steel India	0.18
Behari Lal Engineering Limited	0.06

Source: CRISIL Intelligence, Industry, company website

The Indian alloy steel market is characterized by a dichotomy in market share, where large and mid-sized companies constitute a significant 60-65% and the remaining is held by smaller and unorganized players. These large and mid-sized companies benefit from economies of scale, advanced technology, and established distribution networks, enabling them to capture a substantial portion of the market. Smaller companies, along with unorganized players, often operate with limited resources and cater to niche markets or regional demands. This fragmented structure presents both challenges and opportunities, with smaller players needing to innovate and enhance their competitiveness to gain a larger market share.

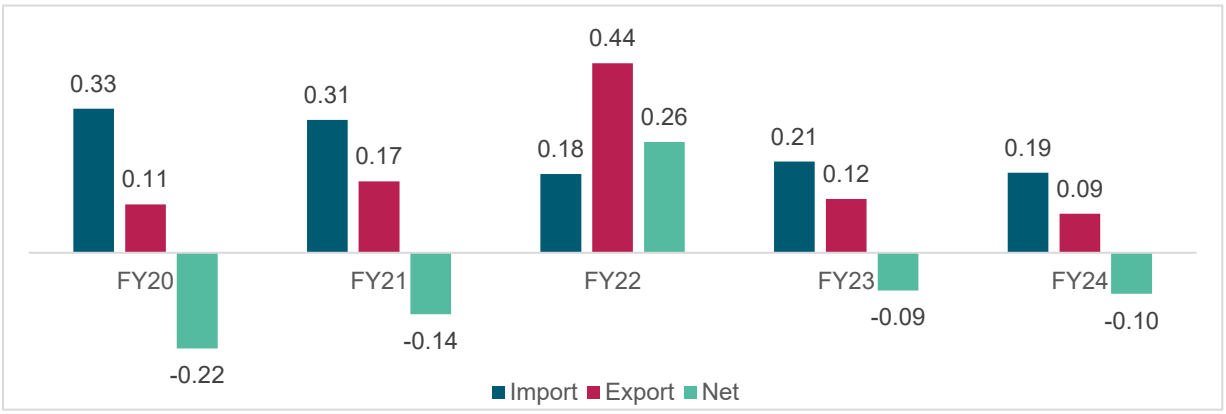
Overview on alloy steel players making tool & die and valve steel products



Source: CRISIL Intelligence, Industry

In India the market is dominated by large and medium-sized players, accounting for over 60% of the supply. Key suppliers include JSW, Sunflag Iron and Steel, Saarloha, Sanyo Special Steel India and Behari Lal Engineering Limited. They benefit from economies of scale, enabling them to offer a wide range of steel grades with consistent quality. Smaller players, accounting for less than 40% of the market, cater to niche segments or regional demands.

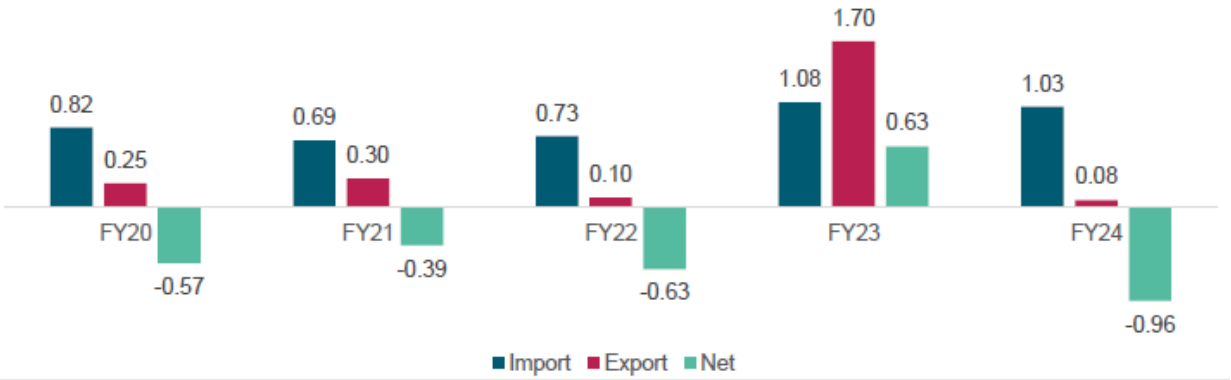
Alloy long steel trade (million tonnes)



Source: CRISIL Intelligence Consulting, industry, Joint Plant Committee (JPC)

The government's production-linked incentive (PLI) and Make in India schemes have contributed to a reduction in alloy steel long imports. These initiatives have boosted domestic production of special steel and carbon steel, enabling a decrease in imports from 0.33 million tonnes in Fiscal 2020 to 0.19 million tonnes in Fiscal 2024, as India focused on import substitution and being self-reliant. The net trade position, although predominantly negative, reached a positive value of 0.26 million tonnes in Fiscal 2022, driven by a surge in exports, which was due to the pent-up demand from the lingering effects of the pandemic. Some key importing countries include China, Japan, Italy, South Korea and Germany. While some destination for exports from India include Kenya, Thailand, UAE and Malaysia.

Alloy flat steel trade (million tonnes)



Source: CRISIL Intelligence Consulting, industry, Joint Plant Committee (JPC)

India's alloy flat steel trade has exhibited significant fluctuations over the past five years, with imports exceeding exports in most years. The net trade deficit was -0.57 and -0.39 in FY20 and FY21, respectively, indicating a reliance on foreign supplies. However, in FY22, the deficit widened to -0.63, despite a decline in imports, due to a sharp drop in exports. A remarkable shift occurred in FY23, as exports surged to 1.70, resulting in a net trade surplus of 0.63, driven by the recovery of industries such as automotive, construction, and manufacturing, which led to a surge in demand for alloy flat steel. The decline in exports in FY24 can be attributed to a slowdown in demand from these end-use sectors, as well as increased competition from other countries, such as China and South Korea, which have been aggressively expanding their steel production and export capacities. The Indian government's initiatives, such as the Production-Linked Incentive (PLI) scheme, aimed at boosting domestic manufacturing and exports, may have also played a role in the fluctuations, highlighting the complexities and challenges faced by the Indian steel industry in the global market.

Risk and Challenges

Economic Slowdowns: The alloy steel industry is heavily dependent on economic growth and industrial activity. Any slowdown in the global or domestic economy, caused by factors such as inflation, geopolitical tensions, or financial crises, can reduce demand. Infrastructure projects and industrial investments are often delayed during downturns, directly affecting alloy steel consumption.

Raw Material Price Volatility: Alloy steel production relies on critical raw materials like nickel, chromium, and manganese. Fluctuations in the prices of these inputs due to supply chain disruptions or geopolitical factors can increase production costs, making alloy steel less competitive compared to alternatives.

Environmental Regulation: India’s increasing focus on reducing carbon emissions and adhering to global sustainability standards could impose stricter regulations on the steel industry. Alloy steel production is energy-intensive, and compliance with emission norms may increase costs for manufacturers.

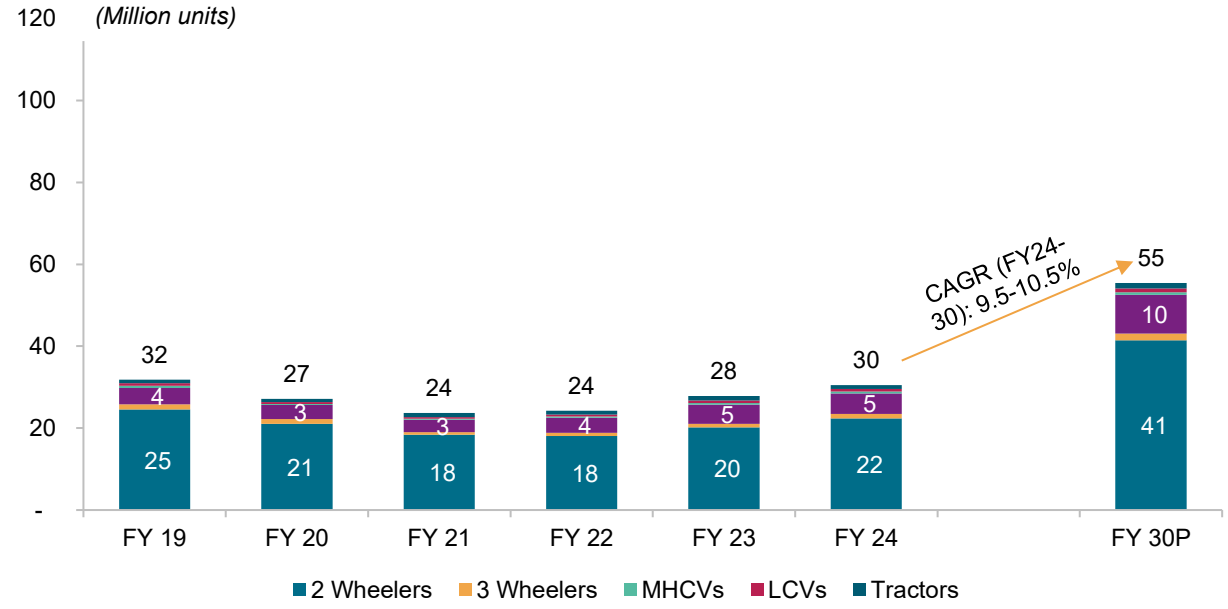
Industry-Specific Challenges

Automotive Sector: The transition to electric vehicles (EVs) requires specialized materials, but alloy steel faces competition from lighter alternatives like aluminum and magnesium alloys. Stringent emission norms may also increase costs for manufacturers, impacting material choices.

The Indian automobile industry is the world's fourth largest by production and valuation as per 2022 statistics. As of 2023, India is the 3rd largest automobile market in the world in terms of sales. The automobile sector resulted in 5.27% of the total FDI inflow as per the Jun 2024 DPIIT Report.

Although overall automobile production didn't grow much over fiscals 2019 to 2024, the production is expected to accelerate by 9.5-10.5% CAGR between fiscals 2024 and 2030. Growth will be spurred by small cars, compact utility vehicles (UVs) and two wheelers. Rise in middle class income and young population are expected to drive demand. Other factors include increased urbanisation, expanding working population and easy availability of finance. Automotive Mission Plan 2016-2026 and vehicle scrappage policy are some of the government initiatives that will support growth of the domestic auto industry.

Automobile production: Review and outlook



P: Projected

Source: Crisil Intelligence

Within the automobile sector, two-wheelers and PVs accounted for the majority share in stainless steel demand. Collectively, these two segments accounted for 85-90% of the total stainless steel consumption in the auto sector.

Application of stainless steel has expanded to various parts such as pump bodies, heat shields, wipers, airbag containers, belt springs, and hose clamps. Further, increased safety features are expected to raise stainless steel intensity per vehicle in the future.

Oil & Gas Industry: The shift toward renewable energy sources and declining investments in fossil fuel projects could reduce demand for alloy steel used in pipelines and refineries. Additionally, high corrosion-resistant grades required in this sector may face cost pressures.

Oil & gas and petrochemicals industry is estimated to account for ~45-50% of total stainless steel demand in process industries. The demand for stainless steel from this segment is directly correlated to the investment growth across these segments, which in turn is driven by demand for oil, gas and other petrochemicals across end-use industries.

In fiscal 2024, domestic petrochemical demand is estimated to have grown 8-10% on-year against a ~4% growth in the previous year. This was owing to growth and healthy demand by Polymers (PE, PP, PVC and PS) and Olefins (Ethylene, Propylene). Given the continued healthy demand growth as economy has rebounded to pre-

Covid levels with healthy growth in private consumption and infrastructure spending, demand is expected to be driven from packaging, auto, infrastructure, industrial products, and consumer durables sectors.

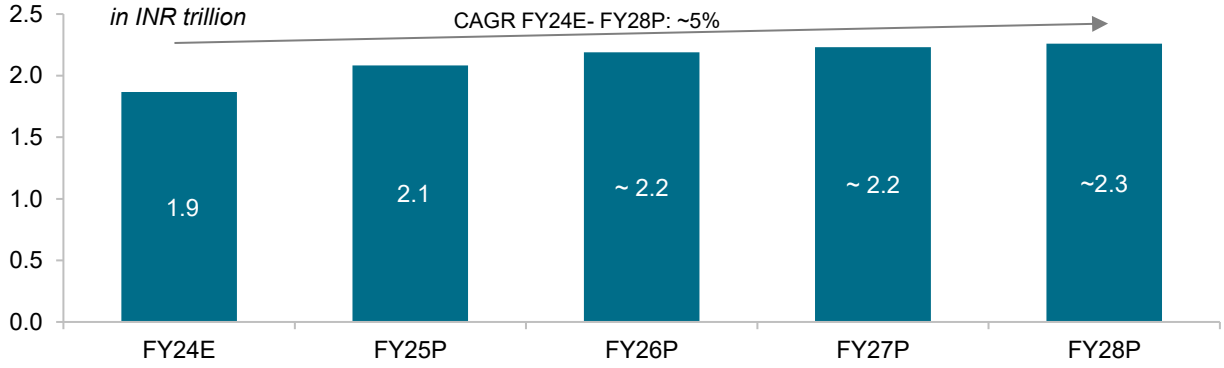
In fiscal 2025, petrochemicals demand is expected to grow by 8-10%, following healthy consumption from underlying sectors consumer durables, auto mobiles and housing over 9% growth in fiscal 2024.

Between fiscals 2024 and 2029, Crisil expects petrochemicals demand to clock a compound annual growth rate (CAGR) of 7-9%, as against ~4% CAGR over the past five years. This would be driven by end-use sectors, such as automobiles, infra, industrial, packaging, irrigation and construction as the consumption is expected to increase with growing population and rise in income levels.

In 2024, oil demand in India is expected to reach an all-time high of approximately 5.7-5.8 million barrels per day (mbpd), owing to healthy economic growth coupled with steady demand from the transportation segment, with improved automobile sales adding to consumption. The demand growth of 0.2 mbpd year-on-year is attributed to improving operating rates, which are returning to pre-COVID-19 levels for refineries, leading to growth in production.

In 2023, demand growth was favourable supported by healthy demand growth in the automobiles segment, resulting in higher consumption where Indian GDP was projected to increase by 6.7%. Improving mobility, coupled with improving production from the Industrial Fuels and Petrochemicals units, are expected to result in a healthy demand growth of 0.1-0.3 mbpd to 5.3-5.6 mbpd in 2023.

Oil and Gas sector investments



E: Estimated; P: Projected

Source: Crisil Intelligence

The demand will also be pushed by investments which are expected to increase at a good CAGR of ~5% between fiscals 2024-2028.

Overall, Crisil expects India's crude oil demand to increase moderately going forward. Domestic capacity addition of refineries would likely increase at a compound annual growth rate (CAGR) of ~5-7% from 2024-28, reaching ~340 million tonnes. Growth in crude oil demand is expected to slow down to 2-4% CAGR up to 2028, reaching 5.7-5.9 mbpd, considering the following factors:

- Gradual recovery in economy posts the pandemic
- Regulatory ban on polluting fuels such as fuel oil and pet coke
- Lower liquefied natural gas prices to accelerate switchover to industrial piped natural gas
- City gas distribution segment to eat away share in the transport and household segment
- Government push for electric vehicles (EVs), compressed natural gas (CNG), ethanol blending and cleaner fuel such as hydrogen
- Increase in naphtha-based petrochemicals capacities

Forging Industry

The forging industry is a cornerstone of modern manufacturing, shaping metal into high-strength components through compressive forces using hammers, presses, or dies. This process aligns the metal's grain structure, enhancing mechanical properties like tensile strength, fatigue resistance, and durability. Forgings are integral to sectors demanding reliability under stress, including automotive, industrial machinery, aerospace, power, defense, and construction. Forging is primarily done through two routes: open die and closed die.

Alloy steel grades are popular in the forging industry given their usage in a variety of applications. Alloy steels, enhanced with elements like chromium, nickel, molybdenum, and vanadium, are pivotal in forging due to their tailored properties:

- **Strength & Toughness:** Alloys like 4140 (chromium-molybdenum) and 4340 (nickel-chromium-molybdenum) are used in automotive crankshafts and aerospace landing gear.
- **Heat Resistance:** Grades such as AISI 8620 (nickel-chromium) are ideal for turbine blades and exhaust valves in high-temperature environments.
- **Wear Resistance:** Tool steels (e.g., H13) are employed in dies for shaping metals, ensuring longevity under repetitive stress.

Key Industries

- **Automotive:** Forgings are critical for high-load parts such as crankshafts, connecting rods, gears, and axles. Their superior strength-to-weight ratio ensures performance in engines, transmissions, and suspension systems.
- **Industrial Machinery:** Heavy-duty components like gears, shafts, and valves for oil and gas equipment, mining machinery, and power generation turbines rely on forgings for longevity under extreme conditions.
- **Aerospace & Defense:** Landing gear, turbine disks, and missile components are forged to meet stringent safety and performance standards.
- **Power:** Wind turbine shafts, drill bits, and nuclear reactor parts utilize forgings for their ability to withstand corrosion, high temperatures, and cyclic stresses.
- **Construction:** Cranes, bulldozers, and structural elements depend on forged parts for load-bearing capacity and resilience.

Tool & die steel

Overview

Tool steel is engineered for exceptional hardness, toughness and wear resistance. This grade of steel is categorised into several classes based on the properties:

High-speed steel (HSS): This steel maintains its hardness at the elevated temperatures generated during cutting operations. It is commonly used in drill bits, milling cutters and saw blades.

Cold work tool steel: This includes oil-hardening (O-grades), air-hardening (A-grades) and D-grades known for its abrasion resistance. Applications include punches, dies for metal forming, and cutting tools.

Hot work tool steel: Designed for applications involving hot metal processing, this steel retains strength at high temperatures. Such materials are used in die-casting dies and hot forging tools.

Plastic mould steel: Plastic mould alloy steel grades are specialized steels designed for plastic injection molding applications. They offer high hardness, wear resistance, and corrosion resistance, ensuring durability and precision in mold production

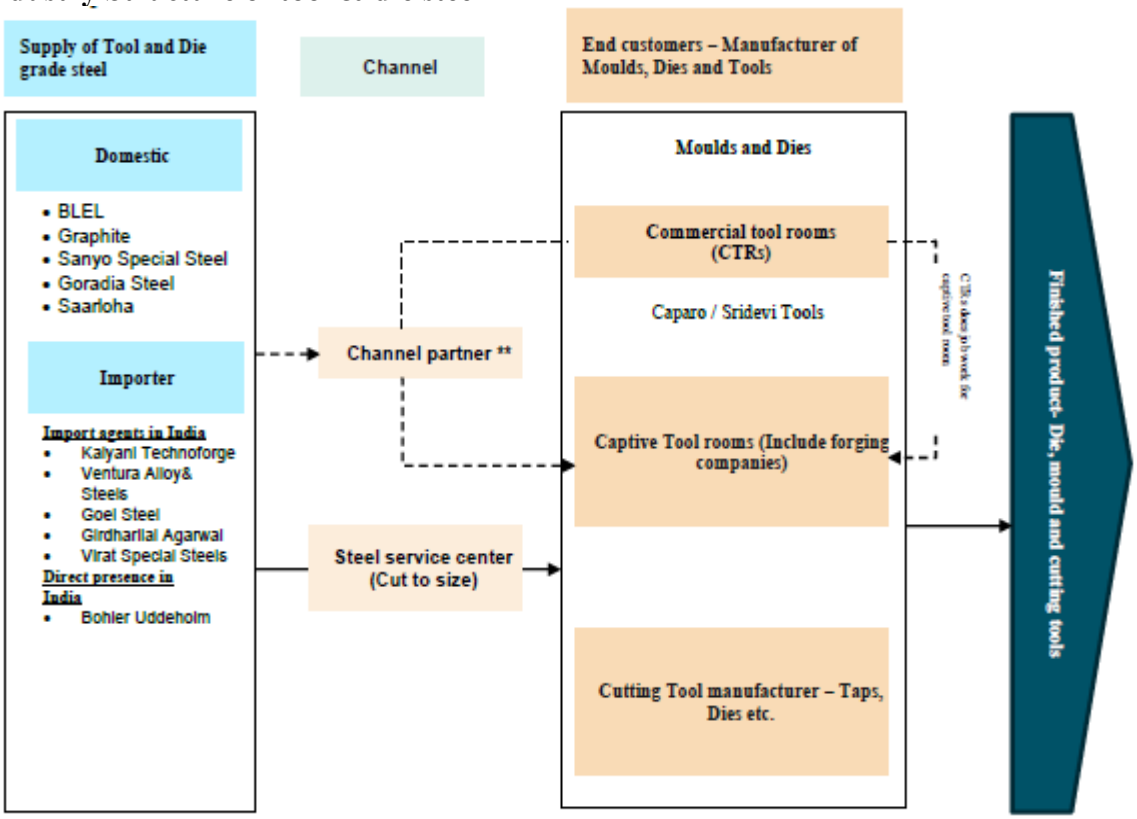
These specialised types of steel are extensively employed in the die and mold-making industry for various applications —including cutting tools, punches and dies — with specific grades such as D2 being preferred for cold-work applications due to its high wear resistance, and H13 being ideal for hot-work tools like extrusion dies and forging dies.

Application overview (by type of steel)

Type of steel	Properties and characteristics	Applications		Remarks
Plastic Mould Steel	• Wear resistance • Corrosion resistance • Mirror finish-ability • Surface work-ability	• Plastic mould industry • Mould frames • Mould parts • Preform dies		Plastic moulds are used for: Chairs, Telephones, Frames, Printers, Monitors, Key boards, Water tanks, Dashboard etc.
Cold work Steel	• Wear resistance of Dies • Resistance to chipping off • Resistance to cracking • Higher hardness & Strength • Higher toughness	• Sheet metal components • Shear blades • Cutting tools • Punching tools • Drawing tools	• Pressing tools • Stamping dies • Punches tools	These steels are used for manufacturing cutting tools which is used to cut , form , extrusion of CI and other non-ferrous metals (Primary application as cold processing)
Hot work Steel	• High mechanical strength • High polish ability • Ductility • High thermal conductivity • Good weld-ability	• Die inserts • Forming dies • Forging dies • Moulds for thermoplastic polymer injection with high polish-ability	• Tools for nuts, screws, bolts, rivets, fasteners etc. • Mandrels	These steel works with heat condition Recognized for great wear resistance, heat conductivity, hardness and roughness of increased temperature
High Speed Steel	• High working hardness • High wear resistance • Excellent toughness • High retention of hardness and red hardness • Fine robustness	• Machining tools • Broaching tools • Taps, twist drills, metal cutters • Metal saws, wood work tools etc.		These steels are fast cutting steels with high resistance, fine robustness, high compression strength, and fine wire resistance properties

Source: CRISIL Intelligence, industry

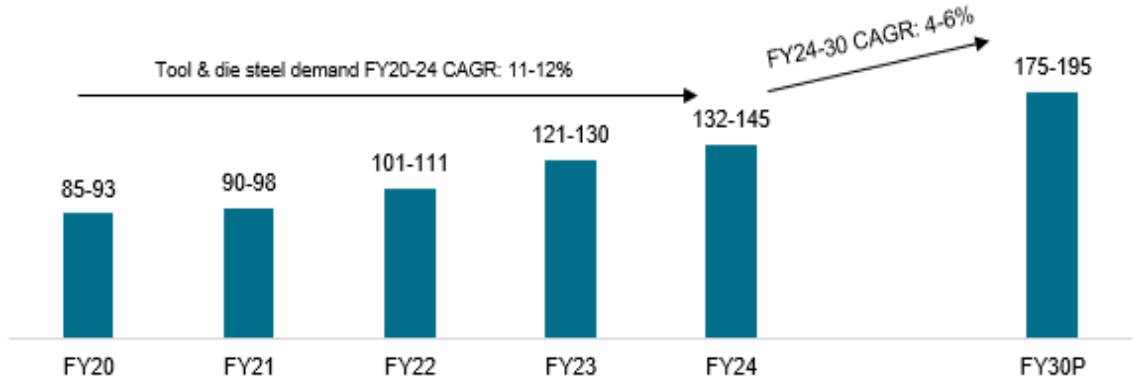
Industry Structure of tool & die steel



Source: CRISIL Intelligence, industry
*** Channel partner:*
- *Typically, channel keep stock of imported tool steel*
- *Channel partners mainly supply small to medium commerical tool rooms*

Demand Overview

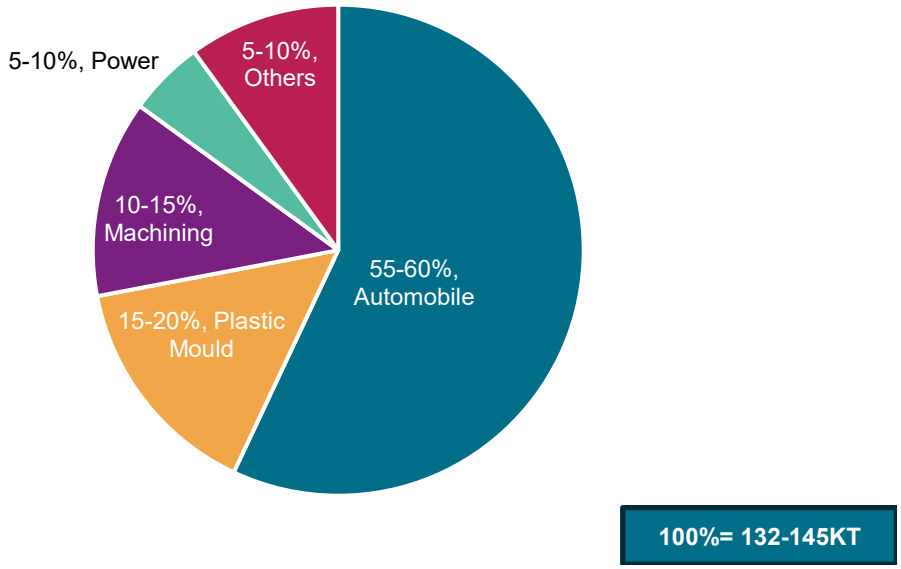
Tool & die steel domestic demand (in KT)



Source: CRISIL Intelligence, industry

The tool and die steel demand in India shows a consistent and robust upward trajectory from FY20 through FY24, reflecting significant growth in the manufacturing and industrial sectors. Starting from a demand range of 85-93 KT in FY20, the market has expanded substantially to reach 132-145 KT in FY24. This sustained growth pattern suggests increasing industrialization, particularly in sectors that heavily rely on tool steel, such as automotive manufacturing, machinery production, and infrastructure development. The demand for the tool and die steel industry has grown at a CAGR of 11-12% between fiscal 2020 and fiscal 2024. The tool and die steel demand is estimated to increase by a CAGR of 4-6% between fiscal 2020 and 2024, to around 175-195 KT in fiscal 2030.

By end-industry in FY24 (in % share)



Source: CRISIL Intelligence, industry

The automobile sector dominates the demand, accounting for 55–60% of the total. This highlights the critical role of tool and die steel in manufacturing automotive components, driven by India's growing automotive industry The plastic mould segment follows with a 15–20% share, reflecting its use in consumer goods, packaging, and electronics manufacturing.

Machining applications contribute 10–15% to the demand, showcasing the reliance on tool steel for general engineering and industrial applications. The power sector holds a modest 5–10% share, indicating its niche but steady requirement for specialized tools. The remaining 5–10% is attributed to other industries, signifying diverse but smaller-scale uses.

End-use industry wise key application areas

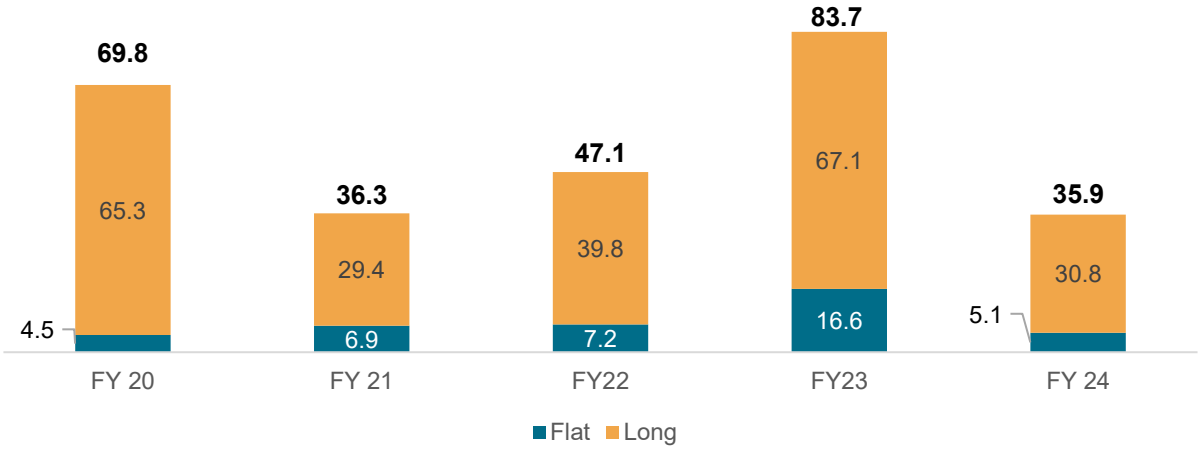
End-use industry	Applications
Automobile	Forging dies for crankshafts, gears, and connecting rods, stamping dies for body panels, Injection molds for plastic automotive components, Cutting tools for machining engine parts
Plastic moulds	Injection molds for consumer goods, compression molds for thermoset plastics, extrusion dies for plastic profiles
Machining	Cutting tools (drills, end mills, reamers), punches and dies for sheet metal forming, broaches and gear cutting tools
Power	Turbine blade forging dies, dies for electrical component manufacturing, cutting tools for machining power plant components

Source: CRISIL Intelligence, industry

Trade overview

Imports trend

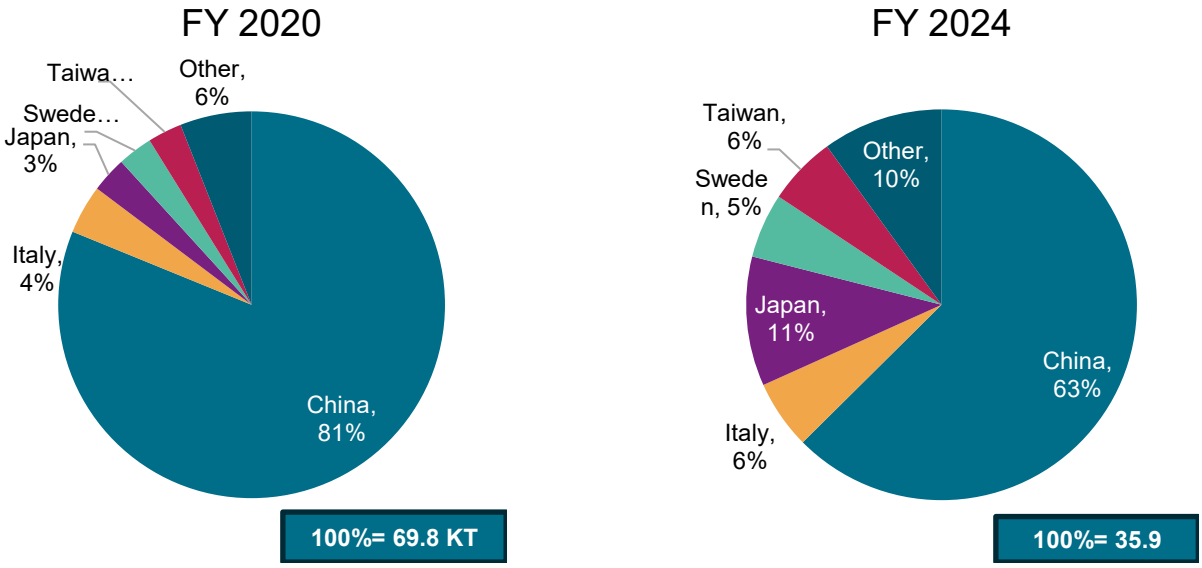
Tool & die steel imports by volume (in KT)



Source: CRISIL Intelligence, industry, DGFT

From FY20 to FY24, India's tool and die steel imports exhibited significant fluctuations, influenced by global market dynamics and domestic demand. Imports peaked at 69.8 KT in FY20, dropped sharply to 36.3 KT in FY21 due to pandemic-induced disruptions, and rebounded to 47.1 KT in FY22 as economic activity resumed. FY23 saw the highest import volume of 83.7 KT, driven by robust demand in infrastructure and manufacturing sectors, before declining to 35.9 KT in FY24 as India began implementing measures to curb dependency on imports.

Tool & die steel imports by origin (in % share)

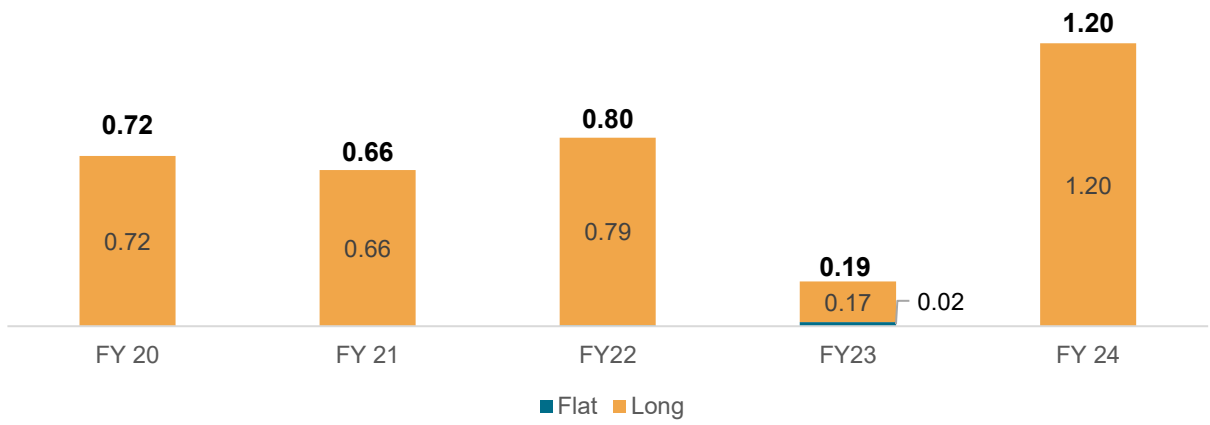


Source: CRISIL Intelligence, industry, DGFT

China has been the dominant supplier throughout this period, accounting for 63% of India's tool steel imports in FY24, down from 81% in FY20. This decline reflects India's strategic efforts to reduce reliance on Chinese imports amid geopolitical tensions and trade imbalances. China's dominance stems from its cost-competitive production and surplus steel capacity due to weak domestic demand, particularly in its real estate sector. However, India has been diversifying its sourcing by increasing imports from Japan (11%), Italy (6%), and Sweden (5%) in FY24.

The Production-Linked Incentive (PLI) scheme launched by the Indian government aims to bolster domestic production of specialty steels, including tool steel grades, reducing import dependency over time. Additionally, safeguard duties and anti-dumping measures are being explored to counter cheap imports from China. These initiatives align with India's broader strategy of self-reliance and fostering a resilient domestic steel industry while mitigating the financial strain on local producers caused by low-priced Chinese imports.

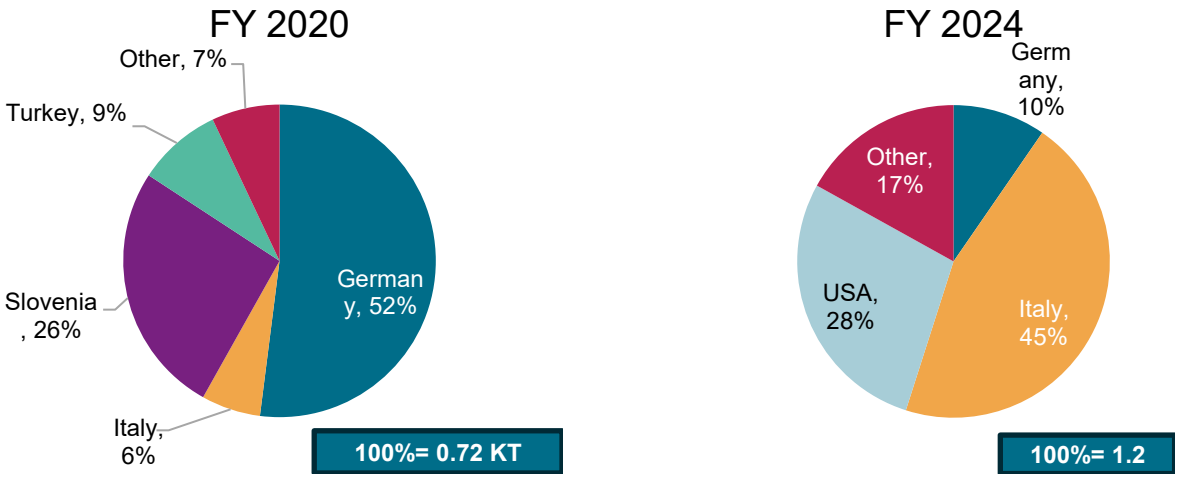
Tool & die steel exports by volume (in KT)



Source: CRISIL Intelligence, industry, DGFT

India's tool steel exports have shown a steady upward trend from FY20 to FY24, reflecting the country's growing capability to cater to global demand for high-quality specialty steels. In FY20, India exported 0.72 KT of tool and die steel, primarily to Germany (52%), Slovenia (26%), and Turkey (9%). By FY24, exports surged to 1.2 KT, marking a 67% increase, with Italy (45%), the USA (28%), and Germany (10%) emerging as the top destinations. This growth can be attributed to multiple factors. First, Indian manufacturers have increasingly aligned their production capabilities with international standards, enabling them to penetrate advanced markets such as Europe and North America. Second, the global supply chain disruptions caused by the COVID-19 pandemic in FY21 prompted many countries to diversify their sourcing strategies, creating opportunities for Indian exporters. Third, India's government initiatives, such as the Production-Linked Incentive (PLI) scheme for specialty steel and export promotion policies, have provided a conducive environment for growth.

Tool & die steel exports by destination (in % share)



Source: CRISIL Intelligence, industry, DGFT

The shift in export destinations is noteworthy. In FY20, Europe accounted for the majority of exports, with Germany and Slovenia leading. By FY24, Italy and the USA became dominant markets, driven by rising demand for high-grade tool steel in automotive and aerospace industries in these regions. This diversification reflects India's ability to cater to varied technical requirements across geographies.
The increase in export volumes also underscores India's competitive edge in terms of cost efficiency and quality. However, challenges remain. Indian exporters face stiff competition from established players like China and Japan, which dominate global tool steel supply due to their advanced technology and economies of scale. Additionally, fluctuating raw material prices and logistical constraints could impact export growth.

Tool and die steel: pricing and sensitivity

Tool and die steel is a high-grade alloy steel used in manufacturing tools, dies, molds, and cutting instruments. It is priced at a significant premium compared to general alloy steel long products due to its exceptional hardness, wear resistance, and ability to retain strength at high temperatures. The inclusion of costly alloying elements like tungsten, vanadium, and cobalt further elevates its price. Additionally, its production involves precise heat treatments and machining processes to achieve the desired mechanical properties

Price in INR per tonne	Country imported from	FY20	FY21	FY22	FY23	FY24
Tool & die steel round bar (Grade:H13)	Korea	2,16,900	1,84,636	2,88,375	3,46,290	2,86,868
Cold rolled steel strip (Grade: 16MnCr5)	Germany	79,250	1,22,966	1,20,651	1,58,113	1,98,094

Source: Crisil Intelligence, Industry

The pricing sensitivity of tool and die steel is closely tied to industrial activity levels. Demand surges during periods of robust manufacturing growth when industries require tools for machining, molding, or stamping operations. Conversely, economic slowdowns can reduce demand. Raw material price volatility also plays a critical role; for example, fluctuations in tungsten or vanadium prices can significantly affect production costs. Despite these sensitivities, tool and die steel maintains its premium pricing because of its critical role in ensuring precision and durability in tooling applications.

Valve steel

Overview

Valve steels are a class of high-performance materials engineered to excel in extreme environments, such as those encountered in oil refineries, power plants, and petrochemical facilities, where high temperatures, corrosive conditions, and significant pressure fluctuations are prevalent. These specialized steels exhibit a unique combination of properties, including high-temperature resistance, corrosion resistance, and high tensile strength, rendering them an ideal choice for valve components in high-pressure systems.
Valve steel is crafted using a precise combination of alloying elements to ensure durability, high-temperature strength, and corrosion resistance for demanding applications. The base composition includes iron (Fe) and carbon (C) for foundational strength. Key alloying elements include chromium (Cr) for corrosion and oxidation resistance, nickel (Ni) for toughness, and molybdenum (Mo) for creep resistance at high temperatures. Manganese (Mn) improves hardenability, while silicon (Si) strengthens the matrix and resists scaling. Trace vanadium (V) refines grain structure for enhanced mechanical properties, while impurities like sulfur and phosphorus are minimized to prevent brittleness. These elements are blended through electric arc furnace melting and refined via ladle treatment to achieve precise chemistry, followed by quenching and tempering for optimal microstructure.
The valve steel family, comprising grades such as F9, F11, F12, F22, F91, and F92, is widely utilized in the oil and gas industry for manufacturing critical components, including valve bodies and stems. The selection of specific grades is based on application requirements, with F9 and F11 grades preferred for high-temperature applications, and F22 and F91 grades for high-pressure and high-temperature services.
In addition to their use in industrial applications, valve steels are also used in the production of engine valves for automotive engines. Engine valve steel grades, such as 21-4N and 23-8N, are high-strength, high-temperature alloys used in internal combustion engine valves, with 21-4N commonly used for exhaust valves and 23-8N for

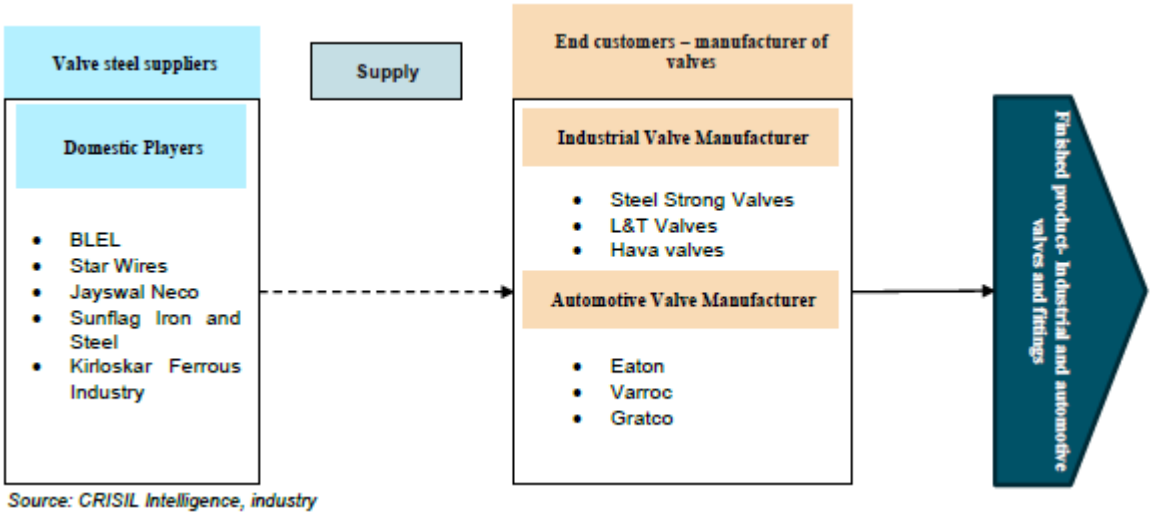
intake valves. Other grades, including X45CrSi9-3 and 4Cr10Si2Mo, are used for high-performance engine valves.

Application mapping by key end use industries

Industry	Properties and characteristics	Applications
Oil and Gas Industry	• Corrosion resistance • High pressure resistance	Pipelines and drilling equipment
Chemical Processing	• High strength • Corrosion resistance	Used to make valves in chemical plants to control the flow of aggressive substances, suitable for use in reactors, distillation columns, and storage tanks.
Power	• High working temperature • High strength • Corrosion resistance	In power plants, valve alloy steels are used for regulating steam and water flow within boilers, turbines, and other critical systems.
Water Treatment	• High wear resistance • Corrosion resistance • High strength	Alloy steel valves play a vital role in water treatment processes by managing fluid flow during filtration and treatment operations.
Automotive	• High strength • High temperature • Corrosion resistance	Valve steel has excellent resistance to heat, corrosion, and wear, making them suitable for applications in automotive engines, where high-temperature and high-stress conditions are prevalent
Mining	• High wear resistance • High strength • Corrosion resistance	Valves made from alloy steel are essential in mining operations where they manage the flow of slurries and other abrasive materials during mineral extraction processes.

Source: CRISIL Intelligence, industry

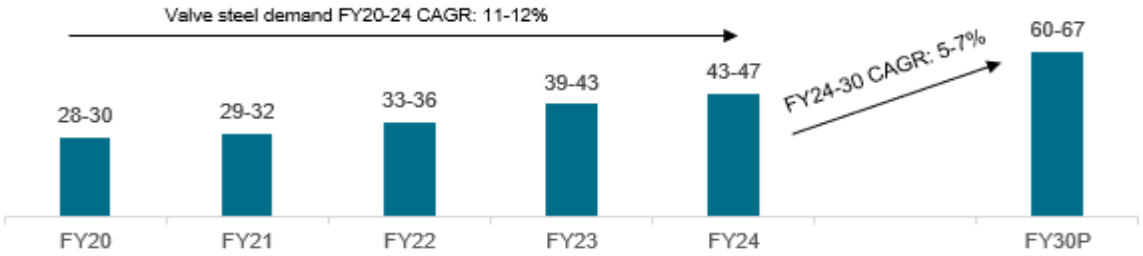
Industry structure



Source: CRISIL Intelligence, industry

Demand overview

Valve steel demand (in KT)



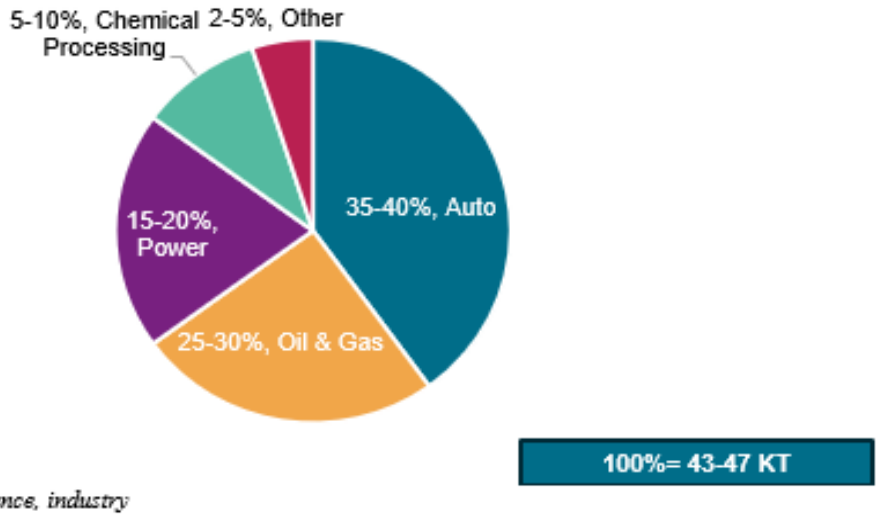
Source: CRISIL Intelligence, industry

The demand for valve alloy long steel in India has shown a steady growth trajectory from FY20 to FY24, driven by its critical applications in automotive, oil and gas, power, chemical processing, and other industrial sectors. The total demand, which includes both F-grade and engine alloy valve steel grades, increased from 28–30 KT in FY20 to 43–47 KT in FY24, reflecting a compound annual growth rate (CAGR) of approximately 11–12%.
The automotive sector remains the largest consumer, fueled by the growing demand for internal combustion engine components and the expansion of India's vehicle manufacturing base. The oil and gas industry, with its need for high-performance materials in extreme environments, also contributes significantly to the rising demand. Similarly, the power and chemical processing industries rely on valve alloy steel for its durability and corrosion resistance in critical applications. The demand for valve steel is estimated to rise by a CAGR of 5-7% between fiscal 2024 and fiscal 2030, to around ~67KT.

Key drivers of growth for valve steel

- **Improved Domestic Capabilities:** Indian manufacturers have enhanced their production capabilities, focusing on high-grade valve steel that meets international standards. This has enabled them to compete effectively in advanced markets.
- **Global Supply Chain Realignment:** Disruptions caused by the COVID-19 pandemic prompted many countries to diversify their sourcing strategies, creating opportunities for Indian exporters.
- **Government Support:** Initiatives such as the Production-Linked Incentive (PLI) scheme for specialty steels have incentivized production and export growth.
- **Rising Demand from Automotive and Industrial Sectors:** The global automotive industry's recovery post-pandemic and increased industrial activity have driven demand for valve steel.

Demand by end use industry in FY24 (% share)

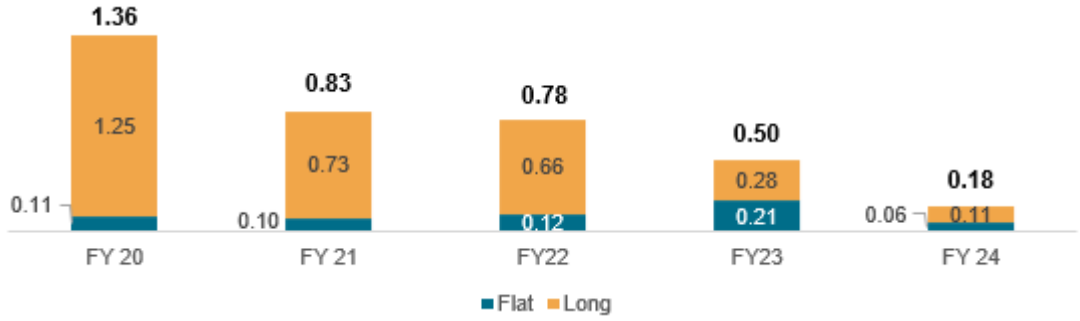


Source: CRISIL Intelligence, industry

The demand for valve steel in India for FY24 stood at 43–47 KT, driven by its critical applications across multiple industries. The automotive sector leads with a 35–40% share, reflecting its reliance on valve steel for internal combustion engines and other components. The oil and gas sector follows with a 25–30% share, underpinned by the need for high-performance materials in extreme environments such as pipelines and refineries. The power industry accounts for 15–20% of the demand, with grades like F22 and F91 being preferred for high-pressure applications such as steam turbines and supercritical power plants. The chemical processing sector contributes 5–10%, leveraging valve steel's corrosion resistance for handling aggressive chemicals. The remaining 2–5% comes from other industrial applications, showcasing its versatility.

Imports trend

Valve steel imports by volume (in KT)



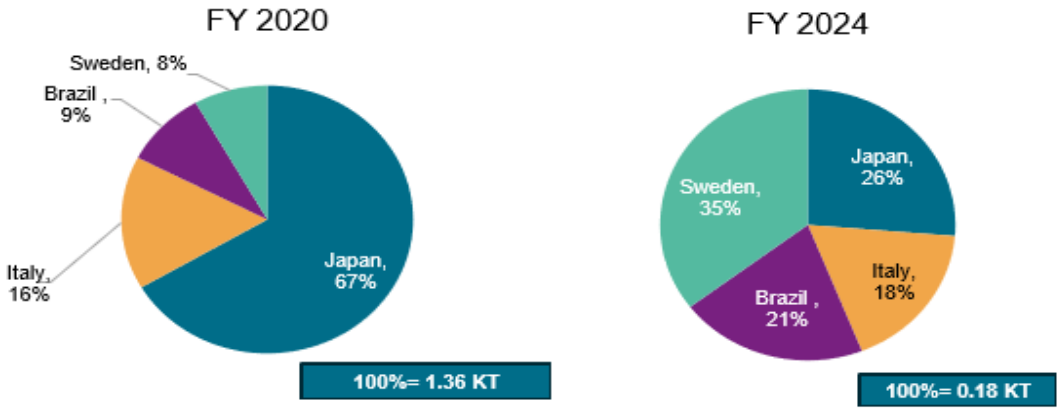
Source: CRISIL Intelligence, industry, DGFT

India's valve steel imports from FY20 to FY24 have shown a significant decline, reflecting both global and domestic factors. In FY20, imports stood at 1.36 KT, with Japan dominating as the primary supplier (67%), followed by Italy (16%), Brazil (9%), and Sweden (8%). By FY24, imports had fallen sharply to 0.18 KT, with Japan's share declining to 26%, while Sweden emerged as the largest supplier (35%), followed by Brazil (21%) and Italy (18%).

The steep decline in valve steel imports can be attributed to some factors such as:

- **Domestic Capacity Expansion:** India has been ramping up its domestic production of specialty steels, including valve steel, under initiatives like the Production-Linked Incentive (PLI 1.1) scheme. This has reduced dependency on imports.
- **Geopolitical and Trade Shifts:** Geopolitical tensions and India's push for self-reliance have led to a conscious effort to diversify import sources and reduce reliance on traditional suppliers like Japan.

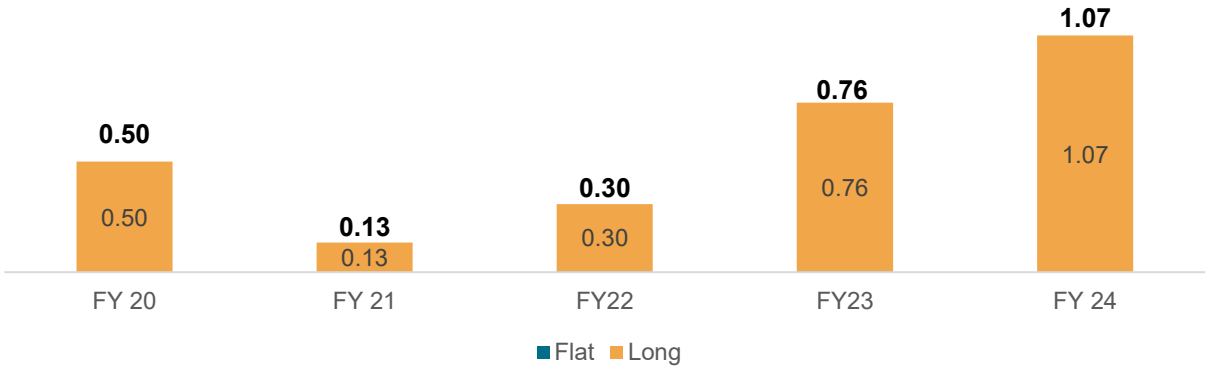
Valve steel imports by origin (in % share)



Source: CRISIL Intelligence, industry, DGFT

India's declining valve steel imports align with its broader strategy of reducing dependency on foreign suppliers for critical materials. The government's PLI scheme has incentivized investments in specialty steel production, with significant capacity additions expected by 2030. Moreover, anti-dumping measures and safeguard duties have been implemented to protect domestic manufacturers from low-cost imports.

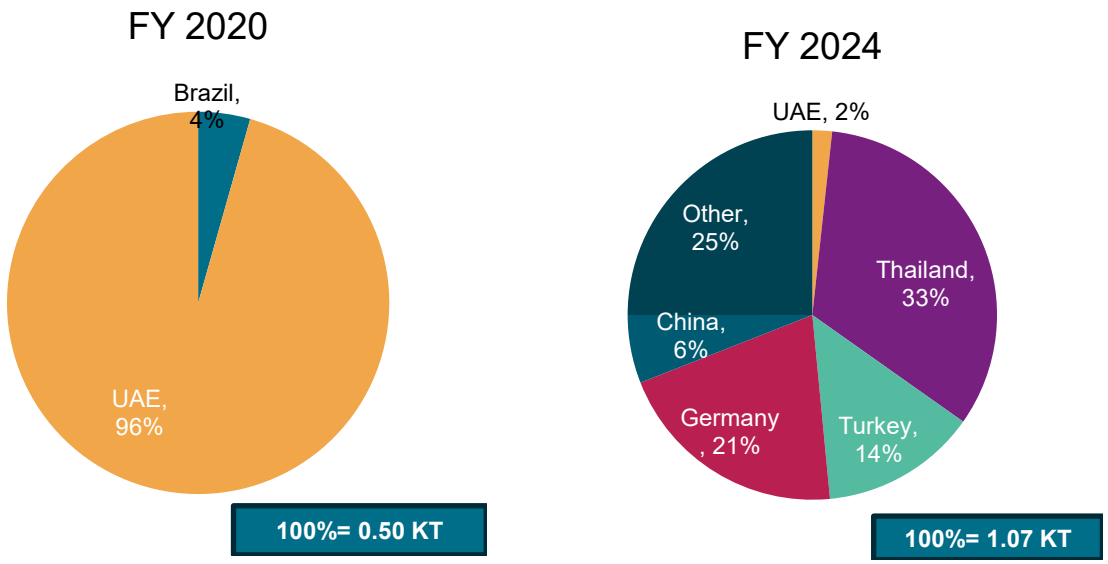
Valve steel exports by volume (in KT)



Source: CRISIL Intelligence, industry, DGFT

India's valve steel exports have shown remarkable growth from FY20 to FY24, reflecting the country's increasing competitiveness in the global specialty steel market. Export volumes rose significantly from 0.50 KT in FY20 to 1.07 KT in FY24, marking a 114% increase over five years. This growth has been driven by rising global demand for high-quality valve steel, particularly in automotive and industrial applications, as well as India's strategic focus on expanding its export footprint.

Valve steel exports by destination (in % share)



Source: CRISIL Intelligence, industry, DGFT

In FY20, India's valve steel exports were heavily concentrated in the UAE, which accounted for 96% of total exports (0.50 KT). However, by FY24, the export landscape had diversified significantly. Thailand emerged as the largest destination with a 33% share, followed by Germany (21%), Turkey (14%), and China (6%). The UAE's share dropped to just 2%, reflecting a shift toward more diversified and advanced markets.

This shift highlights India's growing ability to meet the stringent quality and technical requirements of developed economies like Germany and emerging markets like Thailand. The diversification can also be attributed to India's efforts to reduce dependency on single markets and tap into new opportunities globally.

Valve steel pricing and sensitivity

Valve steel, a specialized alloy steel, is engineered to withstand high temperatures, pressures, and corrosive environments, making it indispensable in automotive engines, power plants, and industrial applications. Its pricing is significantly higher than general alloy steel long products due to its unique composition, which often includes expensive elements like nickel, chromium, and molybdenum. The production process is also more complex, involving advanced heat treatment and surface finishing techniques to enhance durability and performance.

Price in INR per tonne	Country imported from	FY20	FY21	FY22	FY23	FY24
Valve steel bars (Grade: 21-4N)	Japan	3,64,608	4,08,405	3,79,631	4,53,140	6,23,856
Cold rolled steel strip (Grade: 16MnCr5)	Germany	79,250	1,22,966	1,20,651	1,58,113	1,98,094

Source: Crisil Intelligence, Industry

Pricing sensitivity for valve steel is influenced by raw material costs, particularly for rare alloying elements, as well as demand from end-use industries like automotive and energy. For instance, fluctuations in nickel or chromium prices directly impact valve steel costs. Additionally, the growing adoption of electric vehicles (EVs), which use fewer internal combustion engine components, could temper demand for valve steel in the long term. However, its critical role in high-performance applications ensures that it commands a premium over general alloy steels. Buyers are willing to pay this premium due to the material's superior properties and reliability under extreme conditions.

Overview of the metal rolls industry

Overview

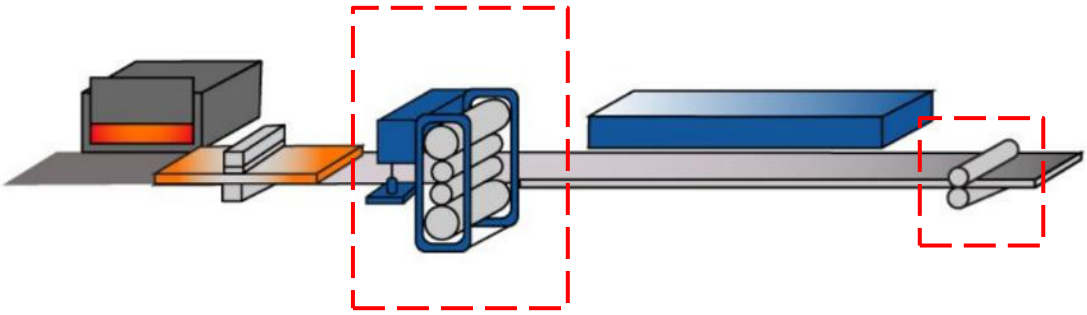
Rolls are a critical component of rolling mills, which are machines used to shape metal by passing it through a pair of rolls. The rolls apply pressure to the metal, causing it to deform and take on the desired shape and size. Its desired metallographic structure and mechanical properties are achieved through selective measures such as controlled alloying, casting, and heat treatment. Rolls can be further classified based on their surface texture, hardness, and material composition. The choice of roll type and design depends on the specific rolling application, the type of metal being rolled, and the desired product characteristics. Rolls are designed to withstand high temperatures, pressures, and wear, making them essential for metal forming, rolling, and shaping processes.

This industry is crucial in manufacturing a wide range of products for sectors like construction, automotive, aerospace, energy, and consumer goods.

Functions of Metal Rolls in Rolling Mills

1. Shaping Metal: Apply pressure to deform metal into desired thickness and shape.
2. Reducing Thickness: Used in hot or cold rolling to achieve the required dimensions.
3. Surface Finishing: Improve the texture and quality of metal surfaces.
4. Enhancing Strength: Rolling improves metal grain structure, increasing mechanical properties.
5. Guiding and Supporting Material: Ensure proper alignment of metal sheets, bars, and rods during rolling.

Working Principle of Metal Rolls

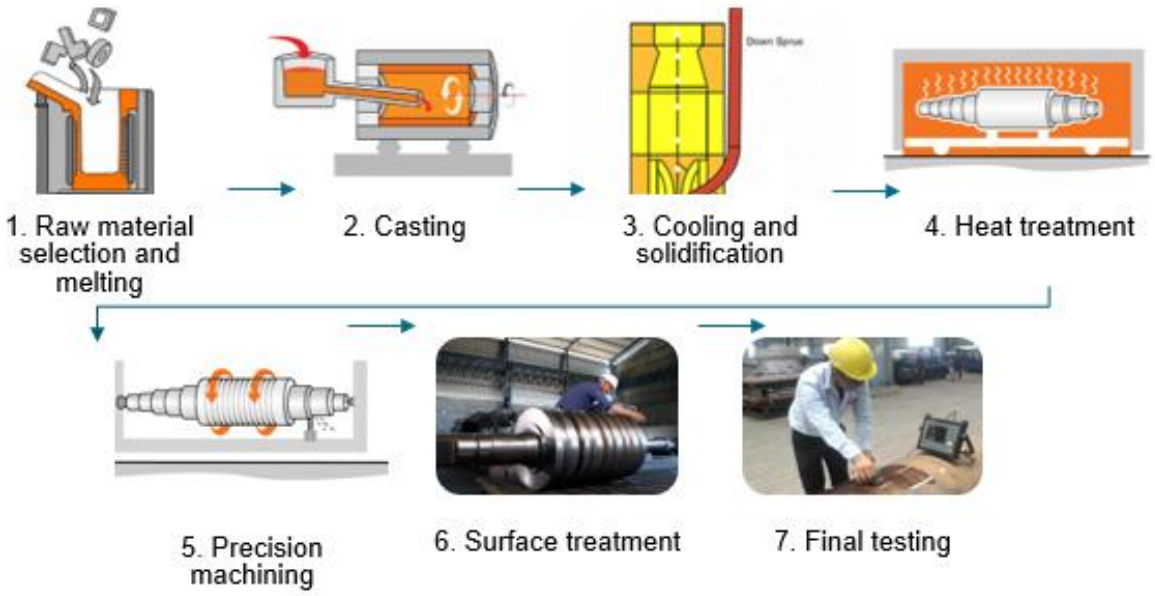


- Metal stock (slab, billet, or ingot) is fed between rotating rolls.
- The rolls apply compressive forces to reduce the thickness and alter the shape.
- The gap between the rolls (roll gap) determines the final thickness.
- Friction between the metal and rolls helps in pulling the material forward.
- The metal undergoes plastic deformation, meaning it changes shape without breaking.
- Depending on the type of rolling, multiple passes may be required to achieve the desired thickness.

Manufacturing Overview

The manufacturing process of metal rolls involves several steps, from casting to machining and heat treatment, to ensure the rolls are durable, wear-resistant, and able to withstand the extreme conditions in rolling mills. Metal rolls, such as those made from alloy steel, spheroidal graphite iron, or high-carbon steel, are used to shape and flatten steel products like billets, blooms, and slabs during hot and cold rolling processes.

Metal Rolls Manufacturing Process



Source: CRISIL Intelligence Consulting, industry

1. **Material Selection and melting:** The material for metal rolls is carefully chosen based on the intended application. Common material include:

- Steel – Alloy Steel, Carbon Steel, Graphitic Steel and High-Speed Steel
- Cast Iron – Alloyed Spheroidal Graphite Cast Iron, Grain Alloyed Indefinite Chilled Iron and Chromium Iron
- Tungsten Carbide

The alloy composition is selected to enhance the wear resistance, thermal conductivity, and strength of the rolls.

2. **Forming the Roll Shape**: Rolls are formed using different manufacturing techniques, including:
    - Static Casting: The roll is formed by pouring molten metal into a stationary composite mould.
    - Centrifugal Casting: This process is used for producing double or triple poured rolls. Molten metal is poured into a rotating mould, forming a dense, fine-grained structure.
    - Forging: Forged rolls are formed by heating the material and applying compressive forces to shape it. This method is primarily used for producing high strength rolls for specific applications where stresses are very high.
    - Composite Manufacturing: Some rolls are manufactured using composite materials or hybrid processes involving a combination of casting and forging. It includes HSS (High-Speed Steel) or alloy-based composite rolls.
3. **Cooling and Solidification**: After casting, the rolls are allowed to cool and solidify. During this stage, the material gains its basic shape and structure, but further processing is required to achieve the desired properties.
4. **Heat Treatment:** To enhance mechanical properties, rolls undergo heat treatment processes such as:
    - Annealing: After casting, the rolls often undergo an annealing process to relieve internal stresses that may have formed during casting and improve the material's workability.
    - Quenching and Tempering: To increase the hardness durability of the rolls, especially for rolls used in heavy-duty applications (e.g., hot rolling mills), the roll is subjected to quenching (rapid cooling) followed by tempering (reheating to a specific temperature and then cooling slowly). This improves both hardness and toughness.
    - Hardening: Rolls are hardened using high-frequency induction heating or electric furnace hardening. This involves localized heating to a specific hardness and depth to ensure the roll surface can withstand extreme pressure and wear.
5. **Machining (Finishing the Roll Shape):** After heat treatment, the roll is machined to achieve precise dimensions and surface quality. Different machining operations include:
    - Turning: The outer diameter is precision-turned on a lathe machine to achieve the desired size and surface finish.
    - Grinding: Rolls are ground to provide a smooth, even surface. The grinding process is critical to achieving the necessary surface roughness required for rolling operations.
    - Milling: Milling operations are performed on specially designed Milling Machines enable precise cutting of complex features, including Clove leaf wobblers, Flats, Keyways and other grooves. Additionally, custom-designed fixtures facilitate fluting and special grooving operations, ensuring accurate and efficient machining.
    - Drilling: Drilling is a machining process that removes material from the inside of a workpiece, creating a hole with a diameter equal to the size of the drill bit used.

- Tapping: Tapping is a process that follows drilling, where a tapping tool is inserted axially into the drilled hole to cut uniform threads. The tapped hole is designed to match a corresponding thread size, accommodating the desired tapping tool. The resulting thread is a precise, helical groove with specified length and pitch. To achieve deeper threads, multiple passes of the tapping tool may be required.

6. **Inspection and Quality Control**: Rolls are subjected to stringent inspection and quality control measures to ensure they meet the required specifications. Non-Destructive Testing (NDT) methods like ultrasonic testing or magnetic particle testing are used to detect any internal cracks or defects in the rolls. Hardness Testing: The hardness of the rolls is measured to confirm that it meets the specifications needed for its intended use.
    - Non-Destructive Testing (NDT): Methods like ultrasonic testing and magnetic particle testing are used to detect defects in the rolls.
    - Hardness Testing: The hardness of the rolls is measured to confirm that it meets the specifications.
    - Visual Inspection: Rolls are visually inspected for surface defects such as cracks, pits, and inclusions.
7. **Final Testing**: Rolls undergo final dimensional checks to ensure they fit within the specified tolerances before final packaging and dispatch to the customer site.

Types and Applications

Various types of metal rolls are employed depending on the specific requirements of the rolling process and the type of material being processed. The major types of rolls used in rolling mills include Adamite rolls, Spheroidal Graphite Iron (SGI) rolls, Alloy steel rolls etc.

Common types of Metal rolls

Metal Roll Type	Basic Properties/ Composition	Common grades	Application
Alloy Cast Steel Rolls	• Carbon content: 0.50% to 0.80% • Alloyed with Chromium and Molybdenum	• ACS 33 (30°-35° Sh C) • ACS 37 (35°-40° Sh C)	• Blooming Mills • Roughing Stands for Light & Heavy Section Mills
Alloy Steel Base Adamite Rolls	• Carbon content: 0.80% to 2.00% • Alloyed with Nickel, Chromium and Molybdenum	• ADM 37 (35°-40° Sh C) • ADM 42 (40°-45° Sh C) • ADM 47 (45°-50° Sh C) • ADM 50 (48°-52° Sh C)	• Heavy Section and Rail Mills • Universal Beam Mills • TMT Bar Mills • Medium Section Mills • Billet Mills

Graphite Steel Rolls 	• Some properties of cast iron are included in the steel material • Service performance of this roll is superior to normal steel roll	• GPH 50 (48° - 52° Sh C) • GPH 53 (53° - 58° Sh C)	• Medium Heavy Section Mills where fire cracking is a major concern
High Chrome Steel Rolls 	• Shell contains high chromium, Nickle and Molybdenum. • High Toughness	• HCS (65°-85° Sh C)	• Work Rolls of Roughing Stands of HSM, CSP and Steckel Mills
High Chrome Iron Rolls 	• High Wear Resistance	• HCI (75°-85° Sh C)	• Work Rolls of Early Finishing Stands of HSM and CSP Mills
S. G. Iron Ferritic Rolls 	• High Fire Crack Resistance	• SG F (40°-50° Sh C)	• Roughing Stands of Wire Rod and Bar Mills
S. G. Iron Pearlitic Rolls 	• Distinguished by presence of graphite in nodular form • Improved toughness and strength along with superior wear resistance	• SG P 47 (45°-50° Sh C) • SG P 53 (50°-55° Sh C) • SG P 57 (55°-60° Sh C) • SG P 63 (60°-65° Sh C)	• Roughing and Intermediate Mill stands of Blooming/Slabbing • TMT Bars Mills • Wire Rod mills • Structural Mills • Merchant Mills

S. G. Iron Bainitic/Acicular Rolls	• Stronger rolls with more wear resistant than S.G.I. Pearlitic Rolls • Alloyed with a higher % of Nickel and Molybdenum than S.G.I Pearlitic	• SG AC 63 (60°-65° Sh C) • SG AC 63 (65°-70° Sh C) • SG AC 73 (70°-75° Sh C)	• Rail and Structural mills • Intermediate and Finishing Mill stands for TMT Bar Mills • TMT Re-Bar Mills • Wire Rod Mills
Alloyed Indefinite Chill Rolls	• Due to alloy addition, these rolls have a much better hardness penetration than clear chill and other cast iron rolls	• AIC 57 (55°-60° Sh C) • AIC 63 (60°-65° Sh C) • AIC 67 (65°-70° Sh C) • AIC 73 (70°-75° Sh C) • SPIC (70°-80° Sh C)	Intermediate/Finishing stand of: • Wire Rod Mills • TMT re-bar Mills • Merchant Mills • Structural Mills Finishing stand of Strips, Sheet and flat rolling mills
ICDP Rolls	• Good surface of Rolled Product • Good wear resistance	• ICDP (70°-85° Sh C) • EN-ICDP (70°-85° Sh C)	• Work Rolls of Final Finishing Stands of Hot Strip Mills and CSP Mills • Work Rolls of Finishing Stands of Steckel Mills • Work Rolls of Plate Mill

Source: CRISIL Intelligence Consulting, industry

ICDP rolls are manufactured in very little quantities and HSS rolls are currently not being manufactured in India.

Mills wise Rolls grades for Flat Products

1. Hot Rolling Mills: Used to shape heated metal into various steel products :
    a. TMT Re-Bars,
    b. Wire Rods,
    c. Structure (Angle, Channel, Beam, and various others),
    d. Section (Round, Square, Flat, Hex, and various others),
    e. HR Coil, HR Strips and HR Plates
2. Cold Rolling Mills: Used to reduce the thickness of metal at room temperature for enhanced surface finish and precision, converting Hot Rolled Coil (HRC) to Cold Rolled Coil (CRC).
3. Seam/ERW Tube and Pipe Mills
    a. The HR / CR Coils are uncoiled and the sheet passes through a series of rollers at room temperature, shaping it into a cylindrical form

b. The seams are then welded together using electric resistance welding (ERW), forming a strong and durable pipe/tube.

4. Seamless Tube and Pipe Mills

   a. A Solid Billet or Round Bar is heated to a high temperature, followed by piercing to create a hollow shell.

   b. The shell is then rolled and elongated to the desired size and sized to precise dimensions.

   c. Finally, the pipe undergoes heat treatment to enhance its strength and durability, resulting in a strong, durable, and seamless pipe.

Rolling Mill Grades by application

1. Mill Wise Rolls Grades for Long Products

   a. TMT Re-Bar and Wire Rod Mills: Roughing - ADM, GS, SGF, SGP; Intermediate & Finishing - SGP, AIC, SGAC, HSS

   b. Structural & Section Mills: Roughing - ACS, ADM, GS, SGP; Intermediate & Finishing - ADM, GS, SGP, AIC, SGAC

   c. Universal Mills: Roughing / Breakdown Mill – ADM; Universal Roughing, Edger and Universal Finishing - GS, SGP, SGAC

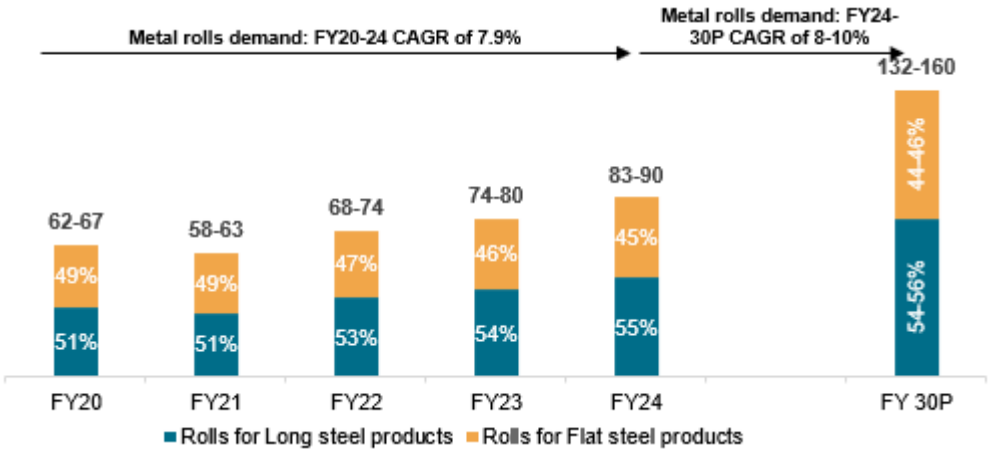
2. Seamless Tube and Pipe Mills

   a. Hot Strip Mill: Roughing - S-HSS, HCS; Edger - ADM, GS, SGP; Early Finishing - HCI, ICDP, S-HSS, HSS; Final Finishing – ICDP,EN-ICDP

   b. Narrow Strip Mill: Roughing – ACS, ADM, GS; Edger – ADM; Early Finishing – SGP; Final Finishing – SGP, ICDP, EN-ICDP; Back Up – ADM

India's Metal rolls for rolling mill overview and outlook

Metal rolls demand (KT)



Source: Industry, CRISIL Intelligence Consulting

India's metal rolls demand saw a robust growth of 7.9% (CAGR) over fiscals 2020-2024, increasing from ~62-67 KT in fiscal 2020 to ~83-90 KT, driven by a higher growth rate in the domestic production of finished steel production.

The metal rolls requirement for long steel products increased from ~34 KT in fiscal 2020 to ~50 KT in fiscal 2024, a CAGR of 9.7%, as share of long steel in overall steel production rose due to demand from the infrastructure and construction sectors. The demand of metal rolls for flat steel products increased from ~32 KT in fiscal 2020 to ~40 KT in fiscal 2024, logging a CAGR of ~5.9%.

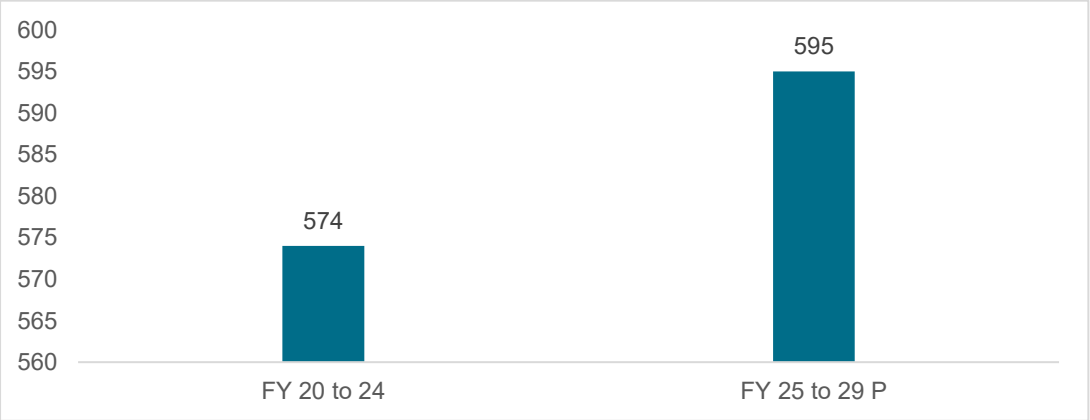
The demand for metal rolls for rolling mills is perfectly and positively correlated with the demand for finished steel products in India, meaning the metal rolls demand tend to follow the same growth as that of steel demand. It is projected to increase at a CAGR of ~8-10% during fiscals 2024-2030 and reach ~132-160 KT in fiscal 2030.

The rolling mill rolls market in India is expected to witness significant growth over the forecast period owing to increasing demand for rolled products from various industries such as automotive, construction, engineering and power generation. Increasing investments by international players in India manufacturing industry will further drive demand for rolling mill rolls. Moreover, with rising per capita disposable income among urban populations leading to increased consumption of durable goods and consumer appliances, manufacturers are likely to increase their production capacity which will bolster demand for high quality rolling mills rolls in India.

CAPEX in Metal Industry

The metal industry accounts for around 12%-20% of the total investment in the construction industry.

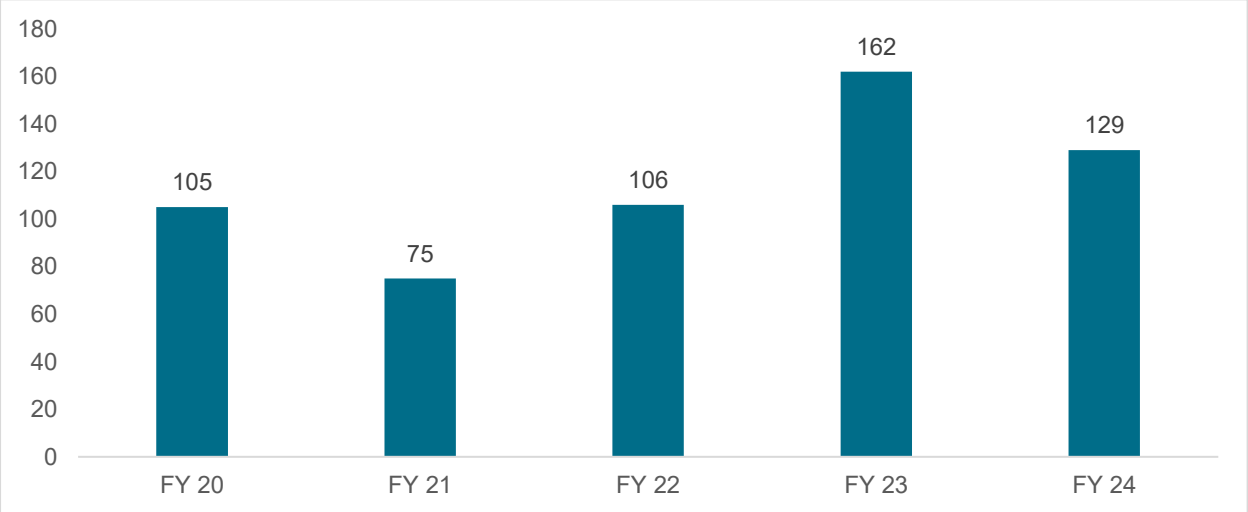
Construction Investments in Metal Industry (Rs. Billion)



Source: Industry, CRISIL Intelligence Consulting

India's metal industry is set for a steady rise in construction investments, with projections reaching Rs 595 billion over the next five years, slightly higher than the Rs 574 billion in the previous period. A key trend driving this growth is the industry's focus on brownfield expansions, as larger players seek inorganic growth opportunities amid stressed assets.

Year-wise Metal Industry's Construction Investments Review (Rs. Billion)



Source: Industry, CRISIL Intelligence Consulting

The steel industry has already expanded by 26 million tonnes (MT) over the past five years, with an additional 35–40 MT expected, primarily through brownfield projects. However, large-scale projects have faced delays due to landownership conflicts and legal disputes, increasing financial strain on steel companies. Despite these challenges, AM/NS continues to lead greenfield expansions, signaling long-term commitment to capacity building.

Meanwhile, the aluminum sector is witnessing rising investments, driven by Nalco's capacity expansion. With growing domestic demand and rising global aluminum prices, local players stand to benefit, further strengthening the industry's growth outlook.

Various CAPEX Initiatives in Steel Sector

The Indian steel sector is experiencing significant capex initiatives, driven by government policies like the Production Linked Incentive (PLI) scheme for specialty steel and increased infrastructure spending, aiming to boost domestic production and reduce imports.

Here's a breakdown of key capex initiatives and their impact:

1. Government Initiatives & Policies:

- **Increased Infrastructure Spending:** The Union Budget 2024-25 allocated a substantial amount (Rs. 11.11 lakh crore) to enhance national infrastructure, which is expected to boost steel consumption.
- **Domestically Manufactured Iron & Steel Products (DMI&SP) Policy:** This policy promotes the use of domestically manufactured steel in government procurement.
- **Reduction in Basic Customs Duty (BCD):** The budget 2024 reduced the BCD on Ferro Nickel, a crucial raw material for stainless steel, from 2.5% to zero, and extended duty exemptions on ferrous scrap.

2. Private Sector Investments:

- **JSW Steel:** JSW Steel, with POSCO, is planning a significant investment of $7.73 billion in a new steel plant in Odisha, India, with an initial capacity of 5 million metric tons annually, expanding to 18 million metric tons, aiming to capitalize on India's rising steel demand
- **ArcelorMittal Nippon Steel India:** This joint venture has announced plans to expand its operations in India with investments of around Rs. 1 trillion over 10 years.
- **Tata Steel:** Tata Steel today successfully commissioned India's largest blast furnace at Kalinganagar, Odisha. With a total investment of Rs 27,000 crore, the Phase II expansion at Kalinganagar will take the total capacity at the site from 3 million tonnes per annum (MTPA) to 8 MTPA.
- **Jindal Steel & Power Ltd.:** The company's Angul plant, currently at 6-MTPA capacity, will double to 12 MTPA this year and is set to reach 25.2 MTPA by 2030

3. Impact of Capex on the Steel Sector:

- **Increased Steel Demand:** Increased capex on infrastructure projects, especially railways, housing, and industrial parks, is expected to drive steel demand.
- **Capacity Expansion:** The investments are aimed at expanding steel production capacity, both in the long and flat products segments.
- **Raw Material Availability:** Initiatives to improve raw material availability and reduce costs are expected to support the steel industry.
- **Job Creation:** The expansion of the steel industry is expected to create new jobs.
- **Technological Advancement:** Investments in modern technologies and processes are expected to improve efficiency and productivity in the steel industry.

- **ESG Benefits:** Reduction in import duties on eco-friendly materials and encouragement of recycling through extended ferrous scrap import exemptions are expected to promote sustainable steel production.

Number of Metal Rolls required per ton of Steel

The production of 1 lakh tons of steel necessitates approximately 4 to 5 metal rolls for finished steel flat products, whereas finished steel long products require around 4 metal rolls.

In large-scale steel plants, the number of rolls required for finished steel flat products typically ranges between 220 and 250, while for finished steel long products, it varies from 200 to 210. Finished steel flat products require a greater number of rolls than finished steel long products because they experience higher wear and tear due to the greater pressure needed for processing.

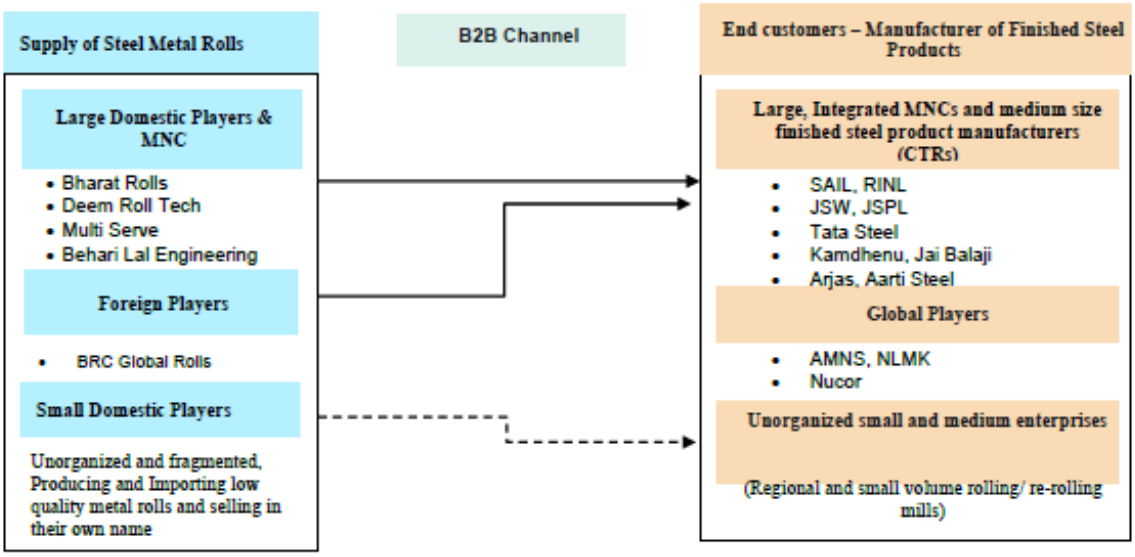
Frequency of Metal Roll Replacement: Frequency of replacement of metal roll in a rolling mill is influenced by multiple factors, including:

1. The type of metal being processed
2. The weight of the metal roll
3. The quality of the metal roll
4. The diameter of the metal roll

However, on an average basis, metal roll replacement is required within a timeframe of 5-10 weeks.

Capital Expenditure (Capex) for Metal Rolls: The total Capex required to establish a hot rolling mill of 1-million-ton capacity plant is approx. 500-700 Cr . Of this, approximately 7-10% is allocated for metal rolls. Therefore, for 1 million ton capacity of hot rolling mill, the Capex required for metal rolls ranges between Rs. 35-50 crores.

Industry Structure



Notes: Dotted line represents supply of metal rolls by small domestic players to unorganized SMEs
Source: Industry, CRISIL Intelligence Consulting

Key Industry Characteristics

The metal rolls industry in India is predominantly dominated by the organized sector, which makes up a significant portion of the market. While the organized sector holds a relatively smaller share in terms of the number of firms but a larger share in terms of production capacity, market reach, and exports.

Average Pricing of Metal Rolls:

S.No	Type of Metal Roll	Pricing by Big Players (Rs./Kg)	Pricing by Small Players (Rs./Kg)
1	Adamite Rolls	118-120	110-120
2	Alloyed SG Iron Bainitic/Acicular	120-130	112-120
3	Indefinite Chilled Rolls	135-140	125-133
4	SG Iron Bainitic/Acicular	180-195	170-180

Source: Industry, CRISIL Intelligence Consulting

Pricing of Premium Rolls

The prices for premium rolls range between Rs. 118-140, while high-carbon or alloy-mixed rolls are priced higher, between Rs. 180-195. The price difference between small and large players is generally of Rs. 8-10/kg. Small players tend to sell at lower prices than the standard market rates.

For exports, prices remain the same, with additional Freight on Board (FOB) charges applied

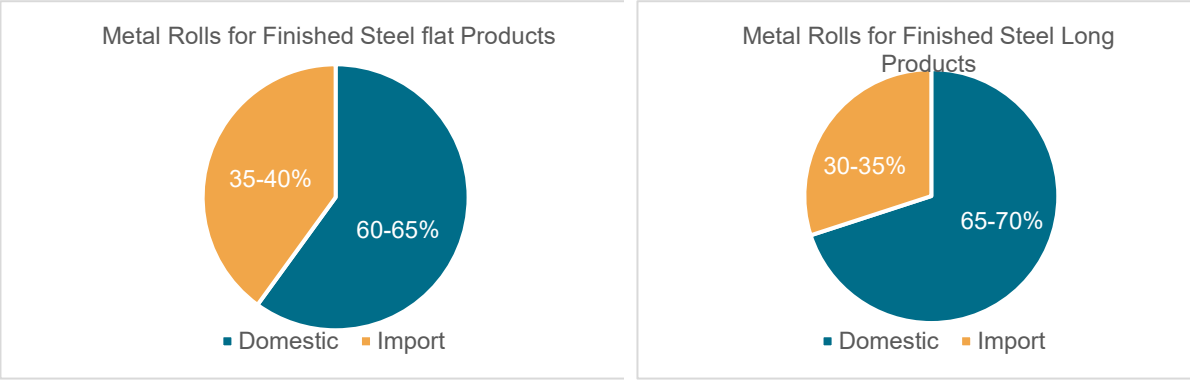
Metal Rolls Import Pricing and Reasons for Imports

Imported metal rolls are priced at four times the cost of those available in the Indian market. Despite the high price, they continue to be imported due to the following reasons:

- Certain roll specifications are not available in the Indian market
- Imported rolls are of superior quality
- They have a longer lifespan
- They support long-duration production processes

Market Segmentation based on Product Type

Distribution of Imports of Metal Rolls for Finished Steel Long and Flat Products (Fiscal 2024)



The supply of metal rolls for finished steel flat products is met 60-65% by domestic suppliers, while 35-40% is fulfilled through imports. Similarly, for finished steel long products, 30-35% of the supply comes from imports, while 65-70% is sourced domestically.

The import of metal rolls for finished steel flat products is higher than for long products due to stringent quality requirements. Since wear and tear are more significant in flat products, the quality of metal rolls used for their production needs to be superior.

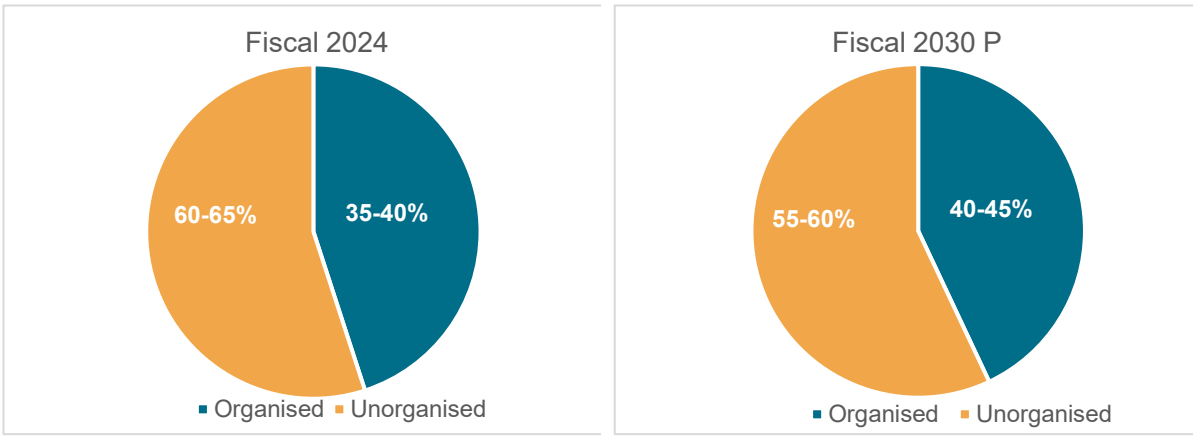
Key Import Sources:

Two types of metal rolls are imported into India:

High-quality rolls or those which are customised based on requirements and have particular specifications. For example, HSS Rolls and tungsten carbide roll are majorly imported. These are the rolls that are generally not available in India. These are primarily imported from Germany, Russia, and Japan and are priced up to 4 times higher than the Indian market rate.

Imports by Smaller Players: Some smaller metal roll manufacturers import rolls from China at 25% lower prices. However, these rolls are often substandard in quality.

Organised vs Unorganised Market Players



Source: Industry, CRISIL Intelligence Consulting

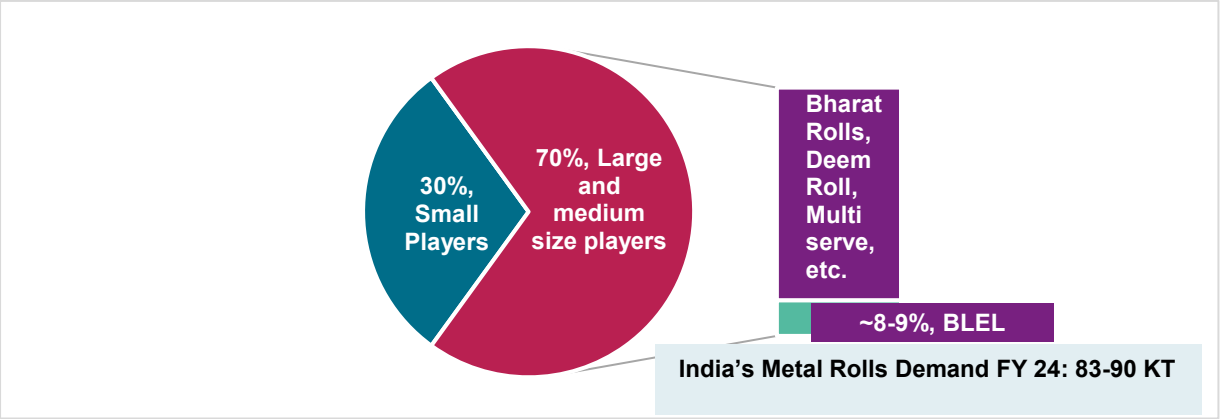
Organized Sector (~ 35-40%): The organized sector is primarily composed of large integrated metal rolls manufacturers like Behari Lal engineering, Bharat Rolls, Deem Roll Tech, etc. that have the capacity to invest in high-end technology, automation, and large-scale production. This sector is also more focused on high-value, specialized and customised products.

Unorganized Sector (~ 60-65%): The unorganized sector is characterized by a large number of small sized players who manufactures low quality metal rolls for small volume rolling mills and re-rolling units, many of which are family-owned or operate as smaller businesses. These units mainly cater to local or regional markets.

Future Trends: Organized vs. Unorganized Sector

- The organized sector consisting of medium and large sized players is undergoing significant changes. Players such as Deem Rolls is actively increasing their production capacity. As a result, by fiscal 2030, ~40-45% of the market will be dominated by organized players.
- In contrast, the market of small players is likely to decline. Many small scale players struggle to produce high-quality rolls, despite ongoing efforts. Consequently, large manufacturers are reducing their reliance on small suppliers. Based on the industry insights, the market of small and unorganized players likely to be shrink by 4-6% and projected to be at ~55-60% by fiscal 2030.

Market share of large, medium and small players (Fiscal 2024)



Source: Industry, CRISIL Intelligence Consulting

Large and Medium size players (~70% of market share):

The top players in the metal rolls industry are Behari Lal engineering Ltd., Bharat Rolls Industry Pvt Ltd., Deem roll tech Ltd., Multi serve etc. who hold a significant share of market and have a notable share in exports. These large companies supply their metal rolls to large integrated Indian finished steel product manufacturers like SAIL, RINL etc.as well as multinational corporations such as JSW, JSPL, Tata Steel etc. Large and medium size players together account for ~70% (~58-63 KT) of the market share of metal rolls in India.

Small Players (~30% of market size):

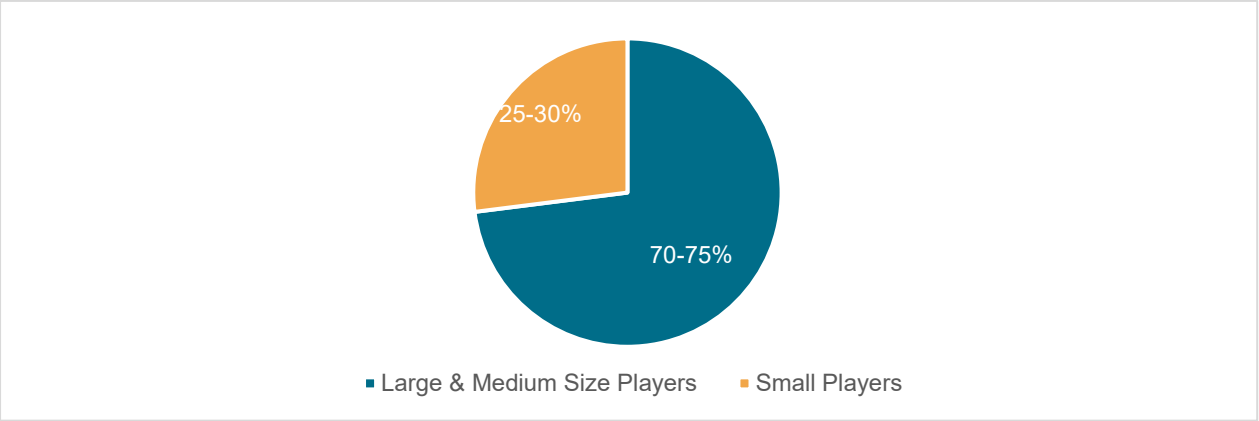
In contrast, there is a large number of small, unorganized players in the industry, who mainly cater to smaller rolling and re-rolling mills by offering low-cost, lower-quality rolls. Some of these smaller players also engage in importing cheap rolls from China, relabelling them under their own brand, and selling them in the domestic market. These smaller players are mostly concentrated in the northern and eastern regions of India catering to the secondary re-rollers/IF units, forming clusters of low-cost production units.

Competitiveness: The industry in India is highly competitive, with both domestic players and imports from countries like China, Japan, and South Korea. Price sensitivity is high, and businesses are under constant pressure to maintain cost efficiency while improving product quality.

Large Imports of high-quality metal rolls: India imports significant quantities of high-quality metal rolls from companies such as BRC Global Rolls, which supply directly to leading domestic manufacturers of finished steel products. Given that Behari Lal specializes in manufacturing high-quality rolls at competitive prices, there is strong potential for import substitution. This presents a substantial opportunity for Behari Lal to expand its market presence and reduce reliance on imported rolls.

Export Potential: India is a major exporter of metal rolls, particularly to Southeast Asia, the Middle East, and Africa. The cost competitiveness, quality improvement, and favourable government policies have bolstered India's export potential. Key export players are Deem Rolls, Behari Lal Engineering Ltd etc.

Projected Market Share (Fiscal 2030P)



Source: Industry, CRISIL Intelligence Consulting

The market share of medium and large sized players is going to increase to 70-75% by Fiscal 2030 as they are actively increasing their capacity. For Example, Deem Rolls have announced a capacity addition of 3,000 tons by fiscal 2025. In contrast, the market of small players is likely to decline by 4-5% and projected to be at ~25-30% by fiscal 2030.

Key trends and Challenges

- **Technological Divide:** The gap between the organized and unorganized sectors is significant, with organized players benefiting from automation, AI-driven processes, and better overall efficiency.
- **Labour and Skill set:** This industry requires mix of skilled, semi-skilled as well as un-skilled workforce. The industry requires skilled workforce, particularly in areas like quality control, machine operation, foundry and metallurgy. India has a strong educational and technical base in engineering, and many workers in this sector have been trained in metallurgy or mechanical engineering.
- **Environmental Concerns:** Organized players are more likely to adopt green and sustainable practices, while unorganized players face challenges in compliance with environmental regulations, often due to the lack of resources for adopting cleaner technologies.
- **Energy-Intensive Process**: The rolling process, particularly hot rolling, is highly energy-intensive. This is an ongoing challenge in India, where energy costs can be high, and the industry faces pressure to adopt more energy-efficient technologies.
- **Longer lead time resulting in lower operational leverage**: Manufacturing rolls for rolling mills is a complex process involving casting, machining, heat treatment, and quality testing. Longer lead times may result from specialized materials, precision engineering, and stringent quality checks. The metal rolls are high-value products that require significant capital investment in machinery and labour. A longer lead time means that capital is tied up for extended periods before the roll is ready for use, reducing the firm's ability to quickly scale production and generate revenues.

  When the lead time for manufacturing metal rolls is long, companies face delays in production, increased capital lock-up, and reduced responsiveness to market demand. This negatively impacts operational leverage by limiting the ability to scale production efficiently, reducing profitability, and increasing overall costs.
- **Consumable nature of product/frequent replacement**: Metal rolls undergo continuous wear and tear during metal rolling operations, leading to frequent replacements. These rolls are subjected to high pressure, temperature, and mechanical stress, causing gradual surface degradation, cracking, and material fatigue. Factors such as the type of material being rolled, rolling speed, and cooling conditions further influence roll wear. As rolls wear out, their surface roughness increases, affecting product quality and

dimensional accuracy. To maintain efficiency and prevent production disruptions, rolling mills follow scheduled roll changes based on wear rates, ensuring optimal performance. The time of replacement varies depending on the roll material (e.g., cast iron, forged steel, or carbide), rolling conditions, and maintenance practices. Frequent roll replacement is essential for consistent production, minimizing downtime, and maintaining high-quality output in metal rolling processes.

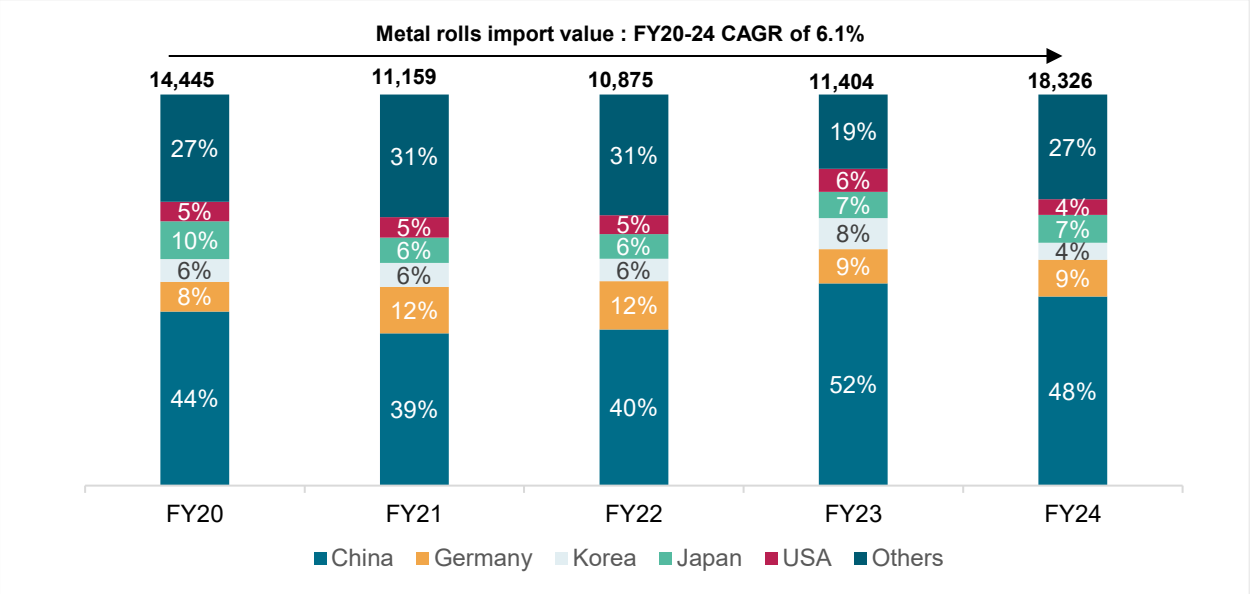
Outlook

- **Expansion in High Quality Products:** More industry players are expected to move toward producing those higher-value, high quality products like tungsten carbide rolls, ICDP rolls which are largely imported from outside India.
- **Green Initiatives:** The Indian metal rolls industry is likely to see further adoption of sustainable practices, such as the use of green technologies, renewable energy sources, and increased recycling.
- **Technological Upgrades**: As global competition intensifies, the adoption of advanced technologies like artificial intelligence (AI), machine learning, and automation will continue to play a significant role in optimizing manufacturing processes and enhancing quality control.
- **Import Substitution Advantage:** India has a significant opportunity to reduce reliance on imported metal rolls, which strengthens local production capacity and supports the "Make in India" initiative, ensuring better self-sufficiency in the sector.
- **Expanding Export Potential:** The global demand for metal rolls is on the rise, and India is well-positioned to tap into this growing export market, benefiting from its competitive manufacturing costs and advanced production capabilities.
- **Robust Domestic Demand:** With India's steel production seeing consistent growth, the demand for metal rolls in the domestic market is also expanding rapidly, creating a solid foundation for long-term growth in the sector.
- **Improved Profitability:** Higher import prices are driving better realisation for Indian manufacturers, allowing for increased profitability and making Indian-made metal rolls more attractive in both domestic and international markets.
- **Faster Delivery & Local Advantage:** Indian manufacturers can offer quicker turnaround times for deliveries, providing a competitive edge over global suppliers by reducing lead times and improving supply chain efficiency for domestic customers.

Trade overview

Imports trend

Metal rolls Imports by Value (in Rs million)



Source: Crisil Intelligence, DGFT

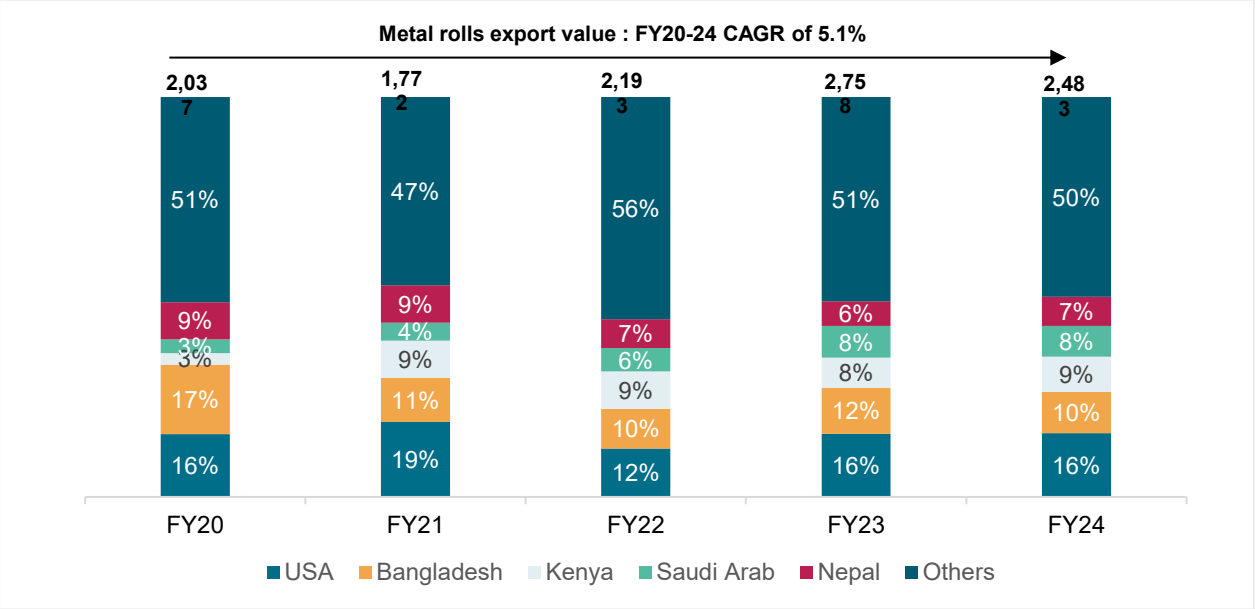
India's metal rolls imports increased from Rs. 14,445 million in fiscal 2020 to Rs. 18,326 million in fiscal 2024, registering a good CAGR of 6.1% during fiscals 2020-2024. The top 5 countries on the basis of import value were- China, Germany, Korea, Japan and USA. The distribution of imports from these primary countries has remained relatively stable over the years.

India's metal rolls imports increased from 39,000 units in fiscal 2020 to 131,000 units in fiscal 2024, registering a good CAGR of 35.5% during fiscals 2020-2024.

China is the largest exporter of metal rolls on number basis to India, accounting 90% (118,500 units) of India's total metal rolls imports in fiscal 2024. However, while China dominates in terms of metal rolls imported, it contributes a slightly lower percentage to the overall import value, at 39-52%, indicating that although the country imports the largest quantity of metal rolls from India, the value per unit is lower compared with other importing countries. This is because a large number of small players imports cheap metal rolls from China and relabel it by their own brand before selling it to small size rolling/re-rolling mills in India.

Exports trend

Metal rolls Export by Value (in Rs million)



Source: Crisil Intelligence, DGFT

India's metal rolls exports value increased from Rs. 2,307 million in fiscal 2020 to Rs. 2,483 million in fiscal 2024, registering a CAGR of 5.1% during fiscals 2020-2024. USA topped the list of top 5 importers of india's metal rolls- USA, Bangladesh, Kenya, Saudi Arab and Nepal, which together accounted to ~44-53% of the exports by value basis.

India's metal rolls exports increased from 66,000 units in fiscal 2020 to 122,000 units in fiscal 2024, registering a good CAGR of 16.5% during fiscals 2020-2024. The export pattern on quantity basis remained uneven throughout the review period.

While USA, Bangladesh, Kenya, Saudi Arab and Nepal were a regular importers of metal rolls which accounted for ~44-53% of the exports by value, their share in the export quantity remained within a range of 27-36%, meaning a higher average exports realisation from these countries and a much lower realisation from rest ~64-73% of the exports.

Overall, the imports for metal rolls increased at a much faster CAGR of 35.5% when compared to the rate at which exports from India grew at a rate of 16.4%, highlighting the dependence of India on International markets for metal rolls.

Improved Revenue Potential for Indian Manufacturers: Due to high import prices, Indian manufacturers, including companies like Behari Lal Engineering Ltd., can achieve better realization for their products. This creates an opportunity for enhanced profit margins, making Indian-made metal rolls more competitive in both the domestic and international.

Overview of the engineering castings & aggregate crushers industry

Overview of Indian foundry/castings industry

The casting and foundry industry is a key part of the manufacturing sector that produces metal components used in various industries, including automotive, aerospace, construction, railways, sugar, sponge iron, cement, power generation, mining and heavy engineering. This industry plays a crucial role in shaping raw metals into finished products that are essential for industrial and consumer applications.

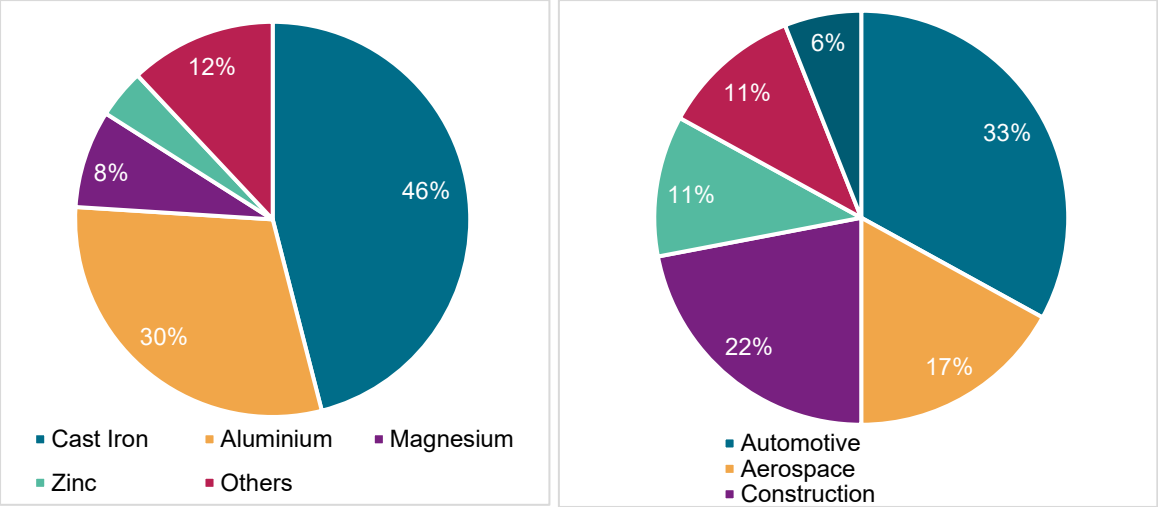
Casting is a manufacturing process where molten metal is poured into a mold and allowed to cool and solidify into a specific shape. Once hardened, the metal casting is removed from the mold and may undergo additional machining or finishing processes. This technique is widely used because it allows for the production of complex shapes that would be difficult or expensive to manufacture using other methods like machining or forging.

A foundry is a specialized facility where casting takes place. It consists of furnaces for melting metal, molds for shaping, and finishing equipment for refining the final product. Foundries work with various metals such as iron, steel, aluminum, bronze, and magnesium, depending on the intended application.

Global castings scenario

As per the World casting Census published by Modern Castings USA, Global Casting Production was estimated at 113.14 million tons in 2021, with China, India, and the United States ranking as the top three casting-producing countries.

Global demand segmentation by castings material type and end use industry (2021)



Source: Census of World Casting Production December 2021, CRISIL Intelligence Consulting

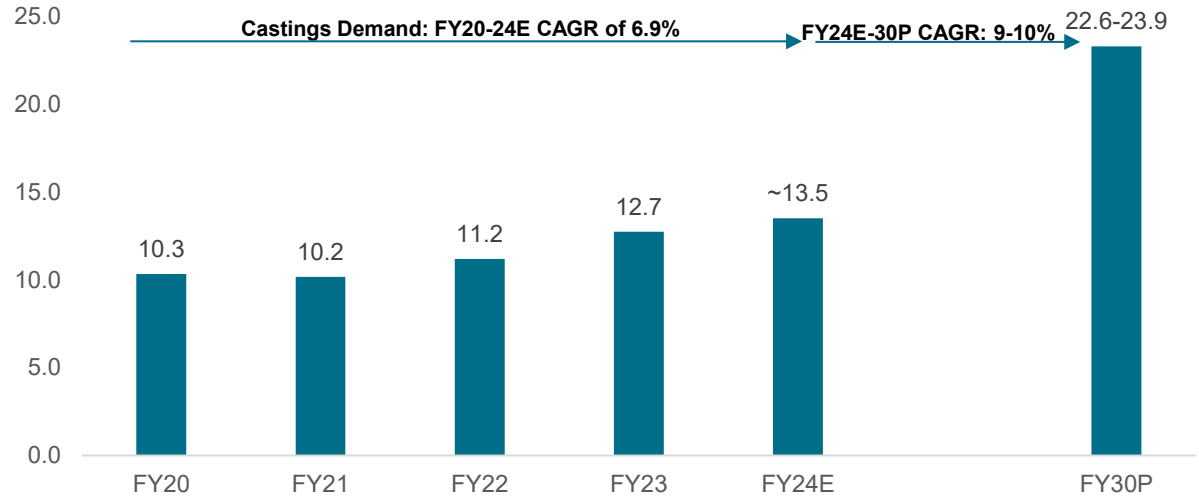
The global casting industry is primarily dominated by cast iron, accounting for 46% of total production, followed by aluminum (30%), magnesium (8%), zinc (4%), and other materials (12%). Cast iron remains the most widely used material due to its strength and cost-effectiveness, while aluminum and magnesium are gaining traction in industries focused on lightweight materials, such as automotive and aerospace.

In terms of end-use industries, automotive leads with 33% of global casting demand, followed by machinery (22%), construction (17%), aerospace (11%), electronics (11%), and agriculture (6%). The increasing demand for fuel-efficient vehicles, infrastructure development, and industrial machinery is driving growth in these sectors, with manufacturers focusing on advanced materials and sustainable production methods to meet global requirements.

India's castings demand scenario

The foundry and castings market in India is a dynamic and essential part of the country's manufacturing sector. The castings demand in India stood at 10.3 million tons during fiscal 2020 and reached ~13.5 million tons during fiscal 2024, registering a CAGR of 6.9%.

India's Engineering castings demand (in million tonne)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

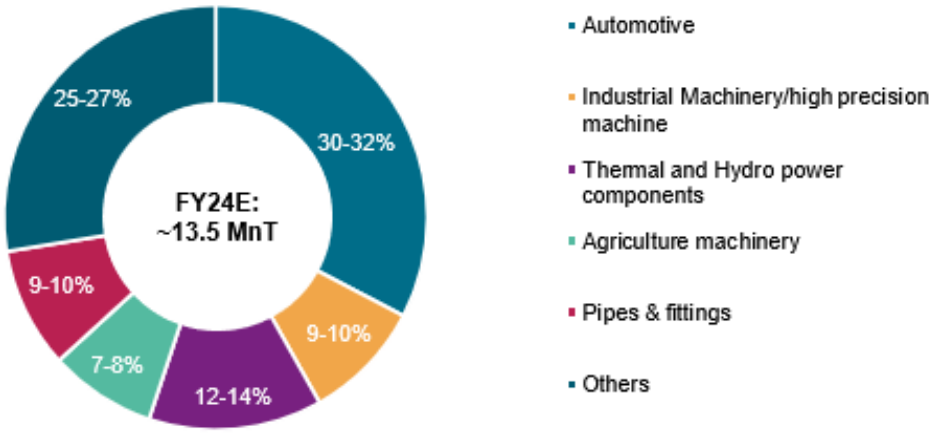
The Indian foundry market is expected to grow steadily at a rate of 9-10% during fiscals 2024-2030 to reach ~22.6-23.9 million tons in fiscal 2030, driven by demand from sectors like automotive, infrastructure, energy, and defense. The growing middle class and urbanization will further boost demand for industrial products that rely on castings.

The Indian market is experiencing a surge in demand for metal castings, driven by the rapid growth of infrastructure projects and increased government spending on expansion initiatives. This, in turn, has created a significant need for various machinery and equipment.

The country's thriving automobile sector, which has established India as a leading vehicle producer, is also a major contributor to the market's growth.

Advances in foundry technology have further boosted production while reducing costs, thanks to innovative practices and techniques. Meanwhile, the ongoing infrastructure development in India has led to a steady and substantial demand for metal rolls from hot rolling mills, which produce long and flat products, driving the market forward.

Castings demand segmentation by end use industries (Fiscal 2024)

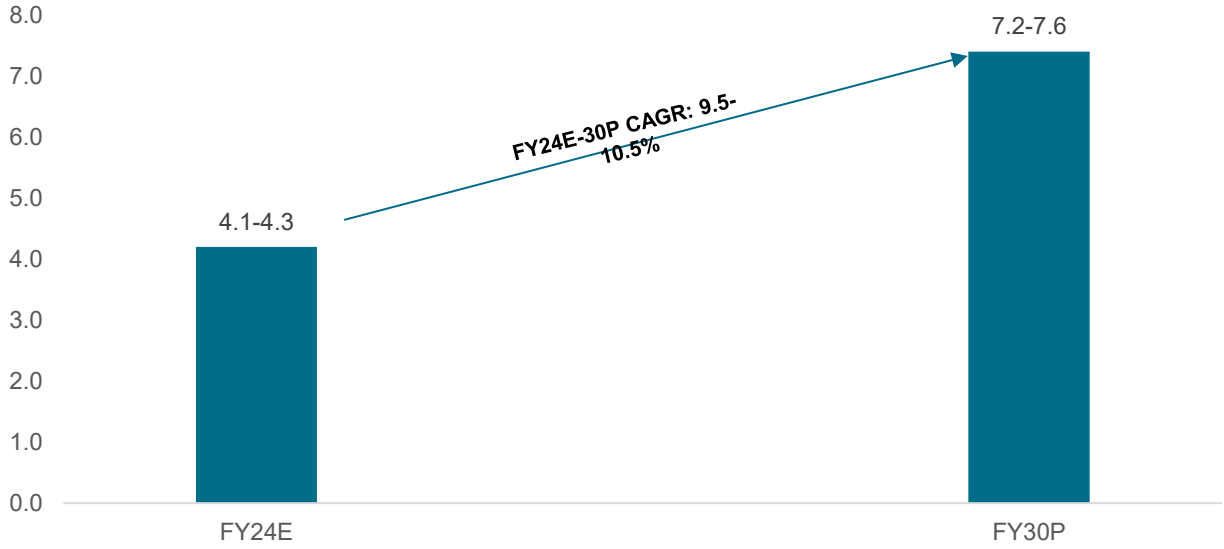


E: Estimated
Source: Industry, CRISIL Intelligence Consulting

Castings for Automotive Industry- overview and outlook

In automotive industry, castings are used in engine blocks, cylinder heads, transmission components, chassis, and other critical automotive parts. The automotive sector is one of the largest consumers of castings in India, and the demand for castings is expected to increase as the sector continues to grow.

Castings used for Automotive Industry (Demand in MT)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

India's castings demand for automotive industry in industry for fiscal 2024 is estimated at ~4.1-4.3 million tons. It is projected to increase at a CAGR of ~9.5-10.5% during fiscals 2024-2030 and reach ~7.2-7.6 million tons in fiscal 2030.

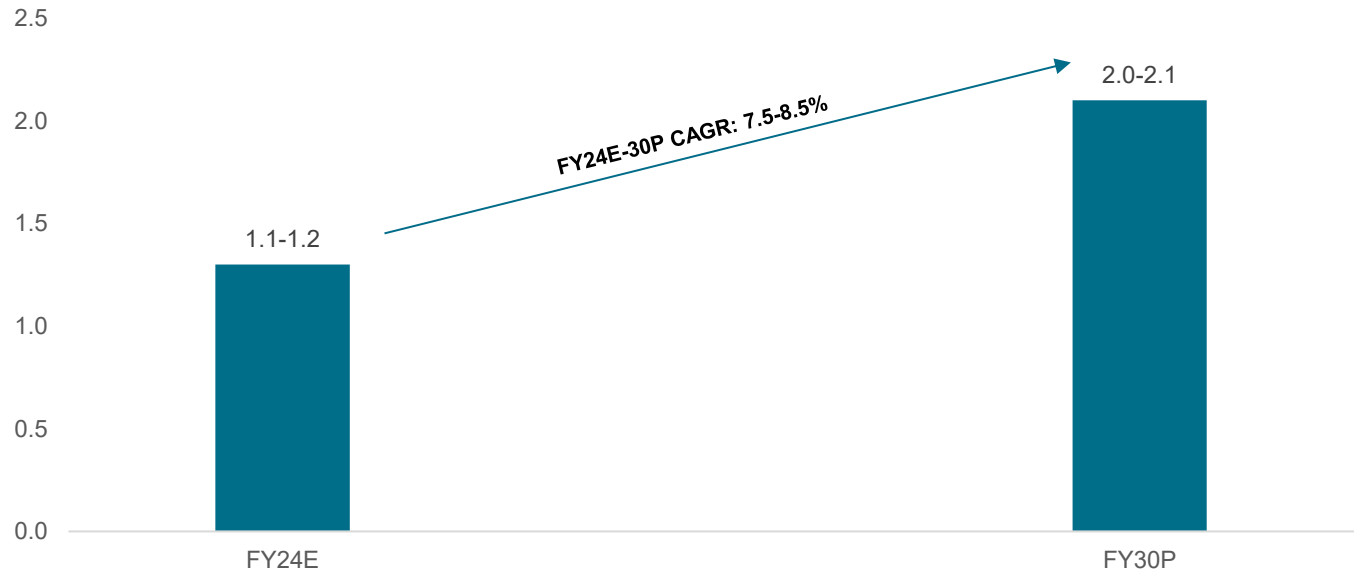
The key growth drivers for castings in the automobile industry include:

- Increased Demand for Lightweight Vehicles: The growing emphasis on fuel efficiency and reduced emissions has led to a demand for lightweight materials. Castings, especially those made from aluminum and magnesium, are ideal for reducing vehicle weight while maintaining strength and durability.
- Technological Advancements in Casting Techniques: Innovations in casting processes, such as 3D printing (additive manufacturing), die casting, and sand casting, have improved the precision, complexity, and cost-efficiency of cast parts. This allows automakers to create more intricate and efficient components.
- Electrification of Vehicles: The rise of electric vehicles (EVs) is boosting the demand for castings, particularly for components like battery enclosures, motor housings, and chassis. These parts require high-performance materials, which castings can provide at a lower weight.
- Automotive Industry Growth: Global growth in automobile production, especially in emerging markets, continues to drive the demand for castings. As vehicle production increases, so does the need for high-quality cast parts.
- Stringent Regulatory Standards: Governments are implementing stricter emission and safety regulations, prompting automakers to use high-strength castings for improved safety features (e.g., crash-resistant structures) and to meet efficiency standards.
- Customization and Complexity of Design: Modern vehicle designs often involve more complex geometries and customized parts, which are easier and more cost-effective to produce through casting methods compared to traditional machining.
- Automotive Industry Shift Toward Sustainability: The automobile industry's growing focus on sustainability and recycling drives the use of aluminum and other recyclable materials in casting processes. Cast parts can often be recycled, aligning with eco-friendly initiatives.
- Integration of Smart Manufacturing: The adoption of Industry 4.0 and smart manufacturing technologies in casting processes, such as robotics, sensors, and AI, is enhancing productivity, quality, and cost efficiency in casting production.
- Demand for High-Performance Materials: As consumer preferences shift toward vehicles with enhanced performance and durability (such as high-performance sports cars)

Castings for Industrial/High precision machining Industry- overview and outlook

Castings are used in industrial machinery, such as pumps, compressors, valves, and gears. The industrial equipment sector is a significant consumer of castings in India, and the demand for castings is expected to increase as the sector continues to grow.

Castings used for Industrial/High precision machining (Demand in MT)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

India's castings demand for Industrial or high precision machinery industry for fiscal 2024 is estimated at ~1.1-1.2 million tons. It is projected to increase at a CAGR of ~7.5-8.5% during fiscals 2024-2030 and reach ~2.0-2.1 million tons in fiscal 2030.

The key growth drivers for castings in Industrial/High precision machining include:

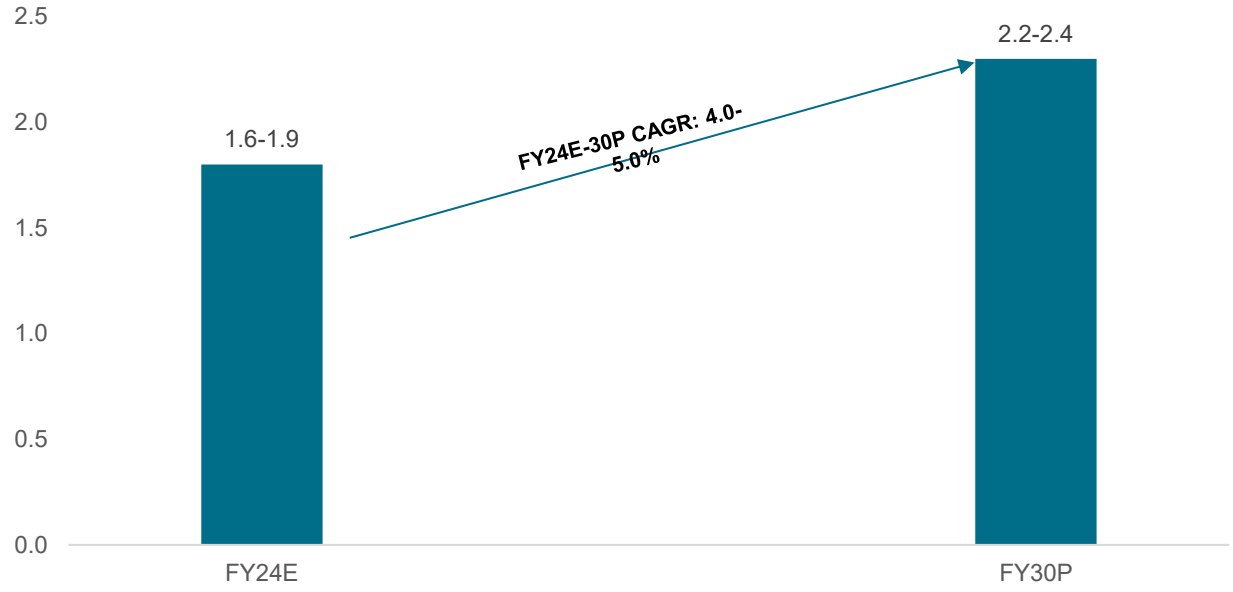
- Rising Capital Goods & Heavy Machinery Demand: India's capital goods sector is expected to grow at 12-14% CAGR, driven by increasing industrialization and infrastructure projects. Investments in power plants, mining, and construction equipment are boosting demand for cast housings, frames, and gear components.
- Expansion of CNC & Precision Machining Industry: India's CNC machine tools market is projected to reach $3.7 billion by 2027, requiring high precision cast parts for lathe beds, spindles, and enclosures.
- Government Push for 'Make in India' & PLI Schemes: The Production Linked Incentive (PLI) scheme for capital goods and heavy engineering is encouraging local casting manufacturing. Lower import dependence on China and Europe is driving domestic foundry investments.
- Infrastructure Boom Driving Demand for Heavy Castings: India's National Infrastructure Pipeline (NIP) aims to invest ₹111 lakh crore by 2025, leading to higher demand for steel castings in bridges, railways, and metro projects. Companies like Texmaco Rail and Titagarh Wagons are investing in casting capacities for railway components.
- Advancements in Foundry Technologies & Smart Manufacturing: Adoption of 3D sand printing, robotic pouring, and real-time defect analysis is improving precision in industrial castings. High-pressure die casting (HPDC) and investment casting are gaining traction in specialized applications like aerospace and defense.
- Local Sourcing & Supply Chain Optimization: To reduce dependence on imports, Indian OEMs are sourcing from local foundries such as Electro steel Castings, Magna Electro Castings, and Amtek Auto.

Casting hubs in Coimbatore, Rajkot, and Kolhapur are witnessing increased investments in high precision casting facilities. or heavy-duty trucks), the demand for high strength, precision cast parts are growing.

Castings for Thermal and Hydro power components- overview and Outlook

Castings are used in power generation, especially for turbines, boilers, and generators. The energy sector is a significant consumer of castings in India, and the demand for castings is expected to increase as the sector continues to grow.

Castings used for Thermal and Hydro power components (Demand in MT)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

India's castings demand for Thermal and Hydro power industry for fiscal 2024 is estimated at ~1.6-1.9 million tons. It is projected to increase at a CAGR of ~4.0-5.0% during fiscals 2024-2030 and reach ~2.2-2.4 million tons in fiscal 2030.

Key Growth Drivers of Castings for Thermal & Hydro Power Components in India

- Increasing Investments in Power Generation: India's installed power capacity is set to reach 820 GW by 2030, driving demand for turbines, rotors, casings, and structural castings.
- Thermal Power Expansion: Despite a shift to renewables, India is adding 17 GW of coal-based capacity by 2027, ensuring continued demand for boiler, turbine, and pump castings.
- Hydro Power Growth: India aims to reach 70 GW of hydro capacity by 2030, requiring large-scale turbine and valve castings.

Government Policies & Investments:

- PLI Scheme for Capital Goods: Incentivizes local manufacturing of power equipment, reducing reliance on Chinese castings.
- Hydropower Development Plan: ₹20,000 crore investment in projects like Subansiri (2,000 MW) and Dibang (2,880 MW) is fueling demand for large turbine castings.
- Expansion of Domestic Manufacturing: Companies like BHEL, L&T, and GE Power India are ramping up domestic production of cast turbines, generator frames, and pressure parts. Foundry hubs in Punjab, Jharkhand, Chhattisgarh, and Tamil Nadu are scaling up large casting production.
- Modernization & Efficiency Upgrades: Supercritical & Ultra-Supercritical Thermal Plants require high-performance steel and alloy castings to withstand extreme temperatures and pressures. Retrofitting of aging hydro plants is driving demand for replacement castings for runners, guide vanes, and casing parts.

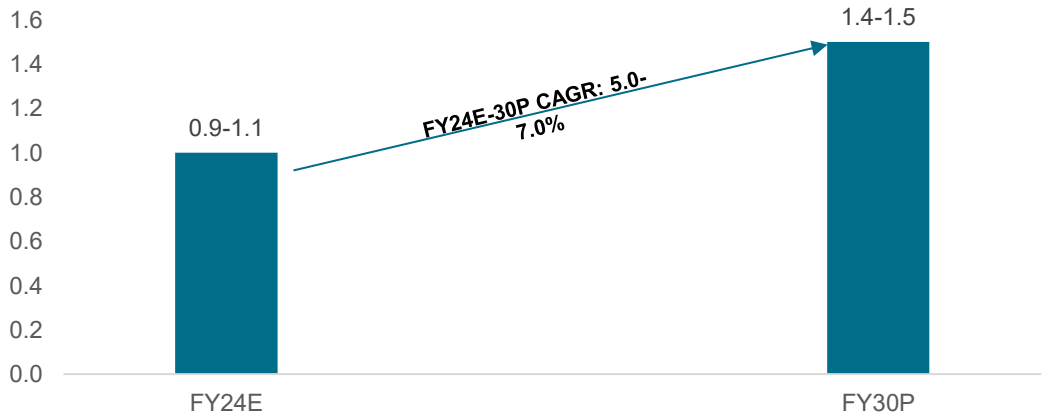
- Rising Demand for Precision & High-Strength Castings: High-pressure steel castings, stainless steel (SS), and ductile iron components are increasingly used in hydro turbine casings and boiler components. Adoption of investment casting and sand casting techniques to improve efficiency and reduce downtime.
- Localization & Supply Chain Optimization: To reduce import dependency, NTPC and NHPC are sourcing more cast components locally.

Castings for Agriculture machinery- overview and outlook

Castings are widely used in the production of agricultural machinery, including tractors, harvesters, plows, and other equipment. Here are some examples of castings used in agricultural machinery:

- Engine Blocks: Cast iron or aluminum engine blocks are used in tractors and other agricultural equipment to house the engine's cylinders and provide a strong foundation for the engine.
- Transmission Housings: Cast iron or aluminum transmission housings are used to enclose the transmission components, such as gears and bearings, and provide a strong and durable structure for the transmission.
- Gearboxes: Cast iron or steel gearboxes are used to transmit power from the engine to the wheels or other components of the agricultural equipment.
- Axle Housings: Cast iron or steel axle housings are used to support the axles and provide a strong and durable structure for the wheels and other components.
- Plow Shares: Cast steel plow shares are used in plows to break and turn over soil, and are designed to withstand the stresses and wear of plowing.
- Cylinder Blocks: Cast iron or aluminum cylinder blocks are used in hydraulic cylinders to provide a strong and durable structure for the cylinder and piston.
- Pump Housings: Cast iron or aluminum pump housings are used to enclose the pump components, such as impellers and gears, and provide a strong and durable structure for the pump.
- Harvester Heads: Cast steel or aluminum harvester heads are used in combine harvesters to cut and collect crops and are designed to withstand the stresses and wear of harvesting.

Castings used for Agriculture machinery (Demand in MT)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

India's castings demand for Agriculture machinery for fiscal 2024 is estimated at ~1.0-1.1 million tons. It is projected to increase at a CAGR of ~5.0-7.0% during fiscals 2024-2030 and reach ~1.4-1.5 million tons in fiscal 2030.

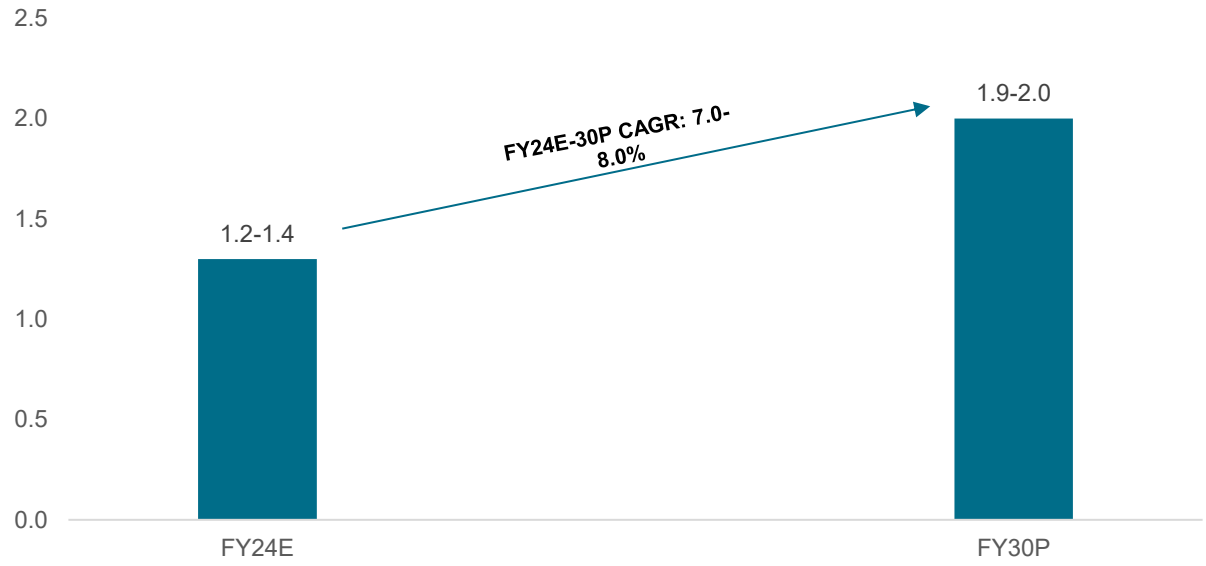
Key Growth Drivers of Castings for Agricultural Machinery in India:

- Rising Farm Mechanization: India's farm mechanization rate is expected to reach 70% by 2030 (from ~50% currently), boosting demand for cast components in tractors, tillers, harvesters, and irrigation pumps. Government schemes like Sub-Mission on Agricultural Mechanization (SMAM) are promoting modern equipment adoption.
- Growth in Tractor & Farm Equipment Sales: India is the world's largest tractor market, producing over 1 million tractors annually, requiring castings for engine blocks, gearbox housings, and axle components. Companies like Mahindra & Mahindra, TAFE, Escorts, and John Deere India are expanding manufacturing, increasing demand for high-precision castings.
- Government Support & Subsidies: PM-KISAN and other subsidy programs are making farm machinery more affordable, driving higher production and casting requirements. Custom hiring centres (CHCs) are promoting shared mechanization, increasing the need for durable cast parts.
- Shift Towards Durable & High-Performance Materials: Demand for ductile iron (DI), steel, and alloy castings is rising due to their superior strength and wear resistance in plows, seed drills, and combine harvesters. Investment in precision casting technologies like sand casting, investment casting, and shell moulding is improving component durability.
- Growth in Irrigation & Water Management Equipment: Increased investments in drip irrigation, borewell pumps, and sprinkler systems are driving demand for cast iron and steel pump casings, valves, and pipe fittings.
- Expansion of Domestic Foundries & Localization: Leading casting hubs in Coimbatore, Rajkot, Kolhapur, and Ludhiana are expanding to meet rising demand. OEMs are sourcing more locally to reduce import dependence and optimize supply chains.
- Export Potential for Agricultural Castings: India is emerging as an export hub for farm equipment to Africa, Southeast Asia, and Latin America, increasing demand for export-grade precision castings. Companies like Sonalika, VST Tillers, and CNH Industrial India are investing in casting capacities to cater to global markets.

Castings for Pipes & fittings- overview and outlook

Cast iron and steel castings are widely used in infrastructure applications, such as manhole covers, pipes, valves, and structural components for construction machinery. The infrastructure and construction sector are another significant consumer of castings in India, and the demand for castings is expected to increase as the sector continues to grow.

Castings used for Pipes & fittings (Demand in MT)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

India's castings demand for pipes and fittings for fiscal 2024 is estimated at ~1.2-1.4 million tons. It is projected to increase at a CAGR of ~7.0-8.0% during fiscals 2024-2030 and reach ~1.9-2.0 million tons in fiscal 2030.

Key Growth Drivers of Castings for Pipes & Fittings Industry in India:

- Increasing Investments in Water Supply & Sanitation Projects: Government programs like Jal Jeevan Mission (₹3.6 lakh crore investment) and AMRUT 2.0 (₹2.87 lakh crore) are driving demand for ductile iron (DI) and cast iron (CI) pipes. Rising urbanization is boosting the need for municipal water supply, drainage systems, and sewage treatment plants.
- Rapid Expansion of Urban Infrastructure: Smart Cities Mission & Housing for All are fuelling demand for plumbing, drainage, and gas pipeline fittings. Metro, railway, and industrial corridors require high strength cast iron and steel pipe fittings for structural support.
- Growth in Oil & Gas and Industrial Pipelines: India's natural gas pipeline network (expanding to 35,000 km by 2030) is increasing demand for steel and alloy castings used in pipeline valves, joints, and flanges. Rising demand for petrochemical and refinery expansion is driving investment in high-pressure cast fittings.
- Rising Demand for Durable & Corrosion-Resistant Materials: Shift from traditional cast iron to ductile iron (DI) pipes, which offer better strength and corrosion resistance, especially in water and sewage applications. Stainless steel and alloy-based castings are gaining traction in chemical, food processing, and pharmaceutical industries.
- Growth in Agricultural Irrigation Networks: PM Krishi Sinchai Yojana (₹93,068 crore investment) is driving demand for cast iron and steel pipe fittings in canal and drip irrigation systems. Rising farm mechanization is increasing the need for pump castings, valves, and borewell fittings.
- Expansion of Domestic Foundries & Local Sourcing: Companies like Electro steel Castings, Jindal SAW, Tata Metaliks, and Srikalahasthi Pipes are expanding DI pipe production. Government emphasis on Atmanirbhar Bharat (self-reliant India) is promoting domestic manufacturing over imports.
- Export Opportunities for Ductile Iron & Steel Pipe Castings: India is a major exporter of DI pipes and cast fittings to markets in Middle East, Africa, and Southeast Asia. Companies are investing in advanced moulding and precision casting technologies to meet international quality standards.

Castings for heavy industries:

The casting and foundry industry plays a crucial role in manufacturing critical components for various heavy industries, including sponge iron, sugar, cement, power generation, steel plants, and rolling mills.

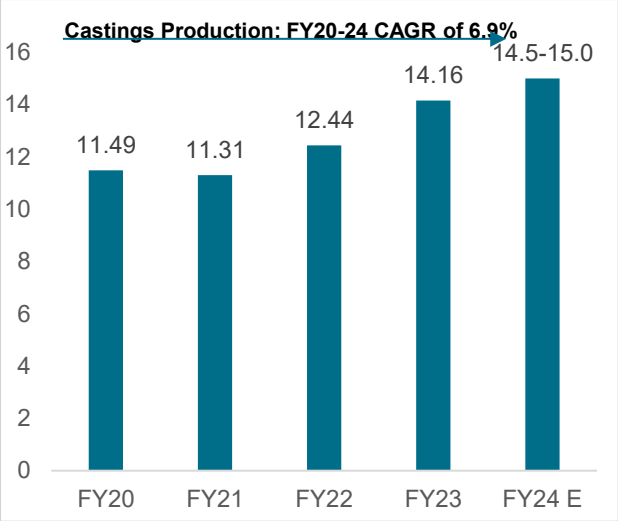
Industry	Castings type/component	Application
Sponge Iron Industry	Kiln Support Rollers & Tyres	Used in rotary kilns for sponge iron production
	Grate Bars	Used in traveling grate systems for efficient combustion
	End Sealing Plates & Bearing Housings	Enhance operational stability
	Ductile Iron Pipes & Fittings	Essential for handling process gases
Sugar Industry	Mill Rollers & Pinions	Crucial for crushing sugarcane efficiently
	Trash Plates & Side Plates	Help guide the cane during milling
	Scraper Plates & Hammers	Used in sugar refining and crystallization
	Boiler Grates & Fire Bars	Essential for efficient boiler operation
Cement Industry	Grinding Media (Balls & Liners)	Used in cement mills for grinding clinker
	Kiln Tyres Girth Gears & Support Rollers	Provide stability and rotation support for rotary kilns
	Clinker Breaker Hammers	Used for crushing clinker postproduction
	Wear Resistant Plates & Impellers	Help with material handling and conveying
Power Generation	Turbine Blades & Housings	Cast from high strength alloys for durability
	Boiler Components (Grates, Tubes, Burners)	Used in thermal power plants
	Coal Pulverizer Parts	Castings used in mills for grinding coal before combustion
	Heat Resistant Castings	Used in high temperature environments of power plants
Steel Plants	Ladle & Tundish Refractories	Crucial for handling molten metal
	Rolling Mill Rolls & Chocks	Used in hot and cold rolling processes
	Slag Pots & Ingot Molds	Essential for handling and shaping molten steel
	Furnace Skulls & Hearth Plates	Used in steel smelting and refining processes
Rolling Mill Industry	Work Rolls & Backup Rolls	Used in hot and cold rolling mills for shaping metal sheets
	Mill Stands & Bearing Housings	Support rolling operations
	Guide Rollers & Cooling Plates	Assist in material movement and cooling
	Wear Plates & Liners	Enhance durability and reduce maintenance costs

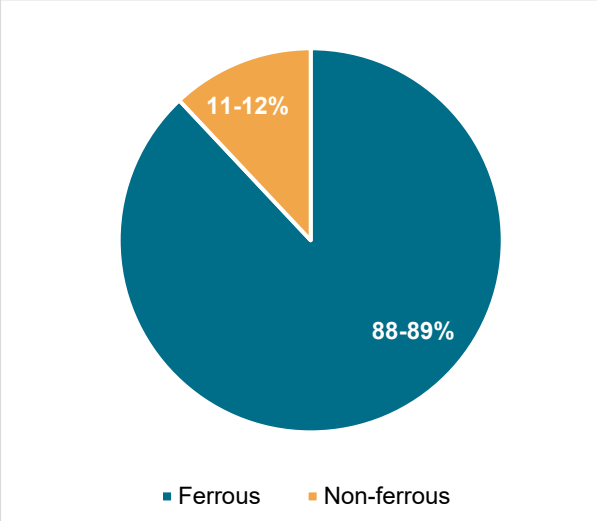
Source: Industry, CRISIL Intelligence Consulting

India's castings supply scenario

India is the second-largest producer of castings, with a production of approximately 14.5-15.0 million tons in fiscal 2024.

India's castings production (in million tonnes) and segmentation by type (for fiscal 2024)





E: Estimated
Source: Industry, CRISIL Intelligence Consulting

The Indian foundry market can be broadly classified into two main segments: ferrous castings and non-ferrous castings. Ferrous castings (88-89%), which include gray iron and ductile iron, are widely used in the automotive, industrial machinery, and construction sectors. Non-ferrous castings (11-12%), which include aluminum, copper, and zinc, are used in a variety of applications, including automotive, electrical equipment, and consumer goods.

Global vs Indian ferrous castings

- While global iron casting production accounts for a share of 46%, Indian ferrous castings account for 89% of the country's overall castings. This significant difference can be attributed to the fact that the global casting industry is more diversified, with a substantial share of non-ferrous castings, such as aluminum, copper, and zinc. In contrast, India's casting industry has a strong focus on ferrous castings, particularly gray iron and ductile iron.

India's affinity for ferrous castings can be traced back to its long history of production, dating back to the 1950s and 1960s. Over the years, the country has developed a strong expertise in ferrous casting, with many foundries and casting companies specializing in this area. The availability of iron ore and coal, the primary raw materials for ferrous casting, has also contributed to the growth of the industry in India. The abundance of these raw materials has enabled Indian foundries to produce high-quality ferrous castings at competitive prices, making them an attractive option for both domestic and international markets. As a result, ferrous

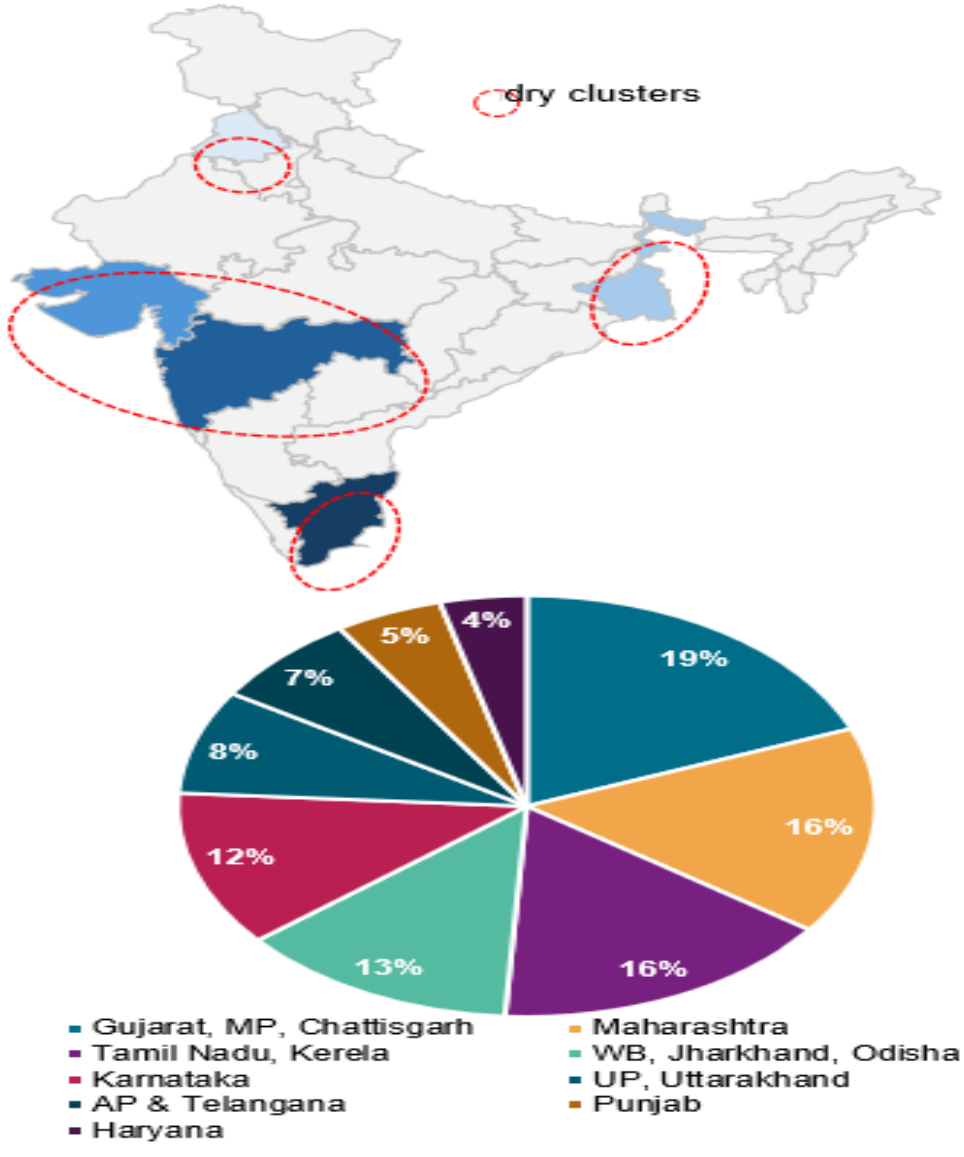
castings have become a dominant segment of India's casting industry, accounting for 89% of the country's overall castings production.

In contrast, the global casting industry is more fragmented, with a wider range of materials being cast, including non-ferrous metals like aluminum, copper, and zinc. This diversification has resulted in a lower share of ferrous castings in global production, at 46%. The difference in the share of ferrous castings between India and the global average highlights the unique characteristics of India's casting industry, which has evolved to specialize in ferrous castings due to its historical strengths, raw material availability, and market demand.

- India's ferrous casting industry is also export-oriented, with a significant share of production being exported to countries such as the United States, Europe, and Japan. This export orientation has helped the industry to grow and maintain its competitiveness. During fiscal 2021, India exported 7.8 million tons of engineering castings (~69% of fiscal 2021's production).

With around 5,000 foundries in the country, nearly 90% belong to the MSME sector, making the industry highly fragmented yet essential to India's manufacturing ecosystem.

Major foundry clusters and State-wise dispersal of foundry/castings units in India



Source: Industry, CRISIL Intelligence Consulting

Major Foundry Clusters: Batala, Jalandhar, Ludhiana, Agra, Pune, Kolhapur, Sholapur, Rajkot, Mumbai, Belgaum, Coimbatore, Chennai, Shivamogga, Hyderabad, Howrah, Indore, Ahmedabad, Faridabad, Mandi Gobindgarh.

The foundry industry in India is concentrated in several regions, including:

1. **Tamil Nadu:** Tamil Nadu is the largest hub for foundries in India, contributing around 16% of the country's total foundry production. The state has a high concentration of automotive and industrial foundries, particularly in cities like Coimbatore, which is known as the "Foundry Hub of India."
2. **Maharashtra:** Maharashtra, particularly Pune and Nashik, is another key region for foundries, with a focus on automotive and industrial castings.
3. **Gujarat:** Gujarat is a growing center for industrial foundries, particularly for the automotive, energy, and infrastructure sectors.
4. **West Bengal:** Known for its historical manufacturing base, West Bengal has foundries that cater to the iron and steel industries and industrial equipment.
5. **Punjab:** a significant industrial foundry hub in northern India, primarily concentrated in cities like Batala, Jalandhar, Ludhiana, Mandi Gobindgarh, Phagwara. These cities are renowned for producing grey castings, which serve various sectors, including automotive, agricultural equipment and general engineering.

Some of the prominent players in the Indian foundry market include:

SN.	Company Name	Castings capacity (TPA)	Major category industry served
1.	Bharat Forge Ltd.	42,000	One of the largest manufacturers of forged and cast components in India, Bharat Forge is a key player in the automotive, aerospace, and industrial sectors
2.	Sundaram Clayton Ltd.	84,000	Prominent player in the automotive foundry segment, Sundaram Clayton manufactures aluminum die-cast components for automotive applications
3.	Amtek Auto Ltd.	135,000	Major player in the Indian automotive foundry sector, producing castings for engine blocks, cylinder heads, and transmission components.
4.	Kirloskar Ferrous Industries Ltd.	150,000	Significant manufacturer of iron castings, with products used in industrial applications such as pumps, valves, and engines
5.	Isgec Heavy Engineering Ltd	NA	Known for producing castings for industrial equipment, power plants, and defense applications.
6.	PTC industries	~6,000	Major player serving castings to Industrial & Defence and Aerospace industries.
7.	Behari Lal engineering Ltd	56,000	Significant castings manufacturer for aggregate crushers industry

Source: Industry, Crisil Intelligence

Key Trends in the Indian Foundry and Castings Market

- **Growth of Automotive and Electric Vehicles (EVs):** India's automotive sector is transitioning toward electric vehicles, which is driving the demand for lightweight and high-performance castings. Aluminum and magnesium castings are becoming increasingly important for EV components such as battery housings, chassis, and powertrain components.

- **Automation and Technological Advancements:** Indian foundries are increasingly adopting automation, robotics, and AI to improve production efficiency, quality control, and reduce costs. This trend is helping Indian foundries compete in global markets.
- **Sustainability and Environmental Concerns:** Environmental regulations are becoming stricter, and foundries in India are under pressure to reduce emissions, improve energy efficiency, and adopt greener practices, such as recycling and reducing waste.
- **Focus on Quality and Precision:** As India's industrial base becomes more sophisticated, there is an increasing emphasis on producing high-quality, precision castings for advanced applications in aerospace, defense, and machinery.

Challenges Facing the Indian Foundry Market

- **Rising Raw Material Costs:** The price of key raw materials, such as metals and energy, can be volatile, affecting the cost structure of foundries. Foundries often face pressure from global price fluctuations, which impact their competitiveness.
- **Skilled Labor Shortage:** There is a shortage of skilled labor in the foundry sector in India. While the industry is growing, there is a need for more trained workers, especially with the increased use of automation and advanced technologies.
- **Environmental Compliance:** Foundries in India need to comply with stringent environmental regulations regarding emissions and waste management. Many smaller foundries, in particular, struggle to meet these standards, which can result in increased operating costs.
- **Competition from Low-Cost Markets:** Foundries in India face competition from countries with lower labor costs and more advanced technologies, particularly China. This poses challenges in terms of pricing and maintaining market share.

Future Outlook for the Indian Foundry Market

- **Technological Upgradation:** The ongoing adoption of advanced technologies such as 3D printing (additive manufacturing), AI, and automation will help improve production efficiency and quality. These innovations are expected to open new opportunities for Indian foundries, particularly in precision casting for aerospace and defense.
- **Sustainability and Green Casting:** As environmental regulations become stricter, foundries in India will increasingly adopt green technologies, including electric furnaces and waste recycling, to reduce their environmental footprint.
    - Solar Energy Initiatives in Foundries- Many foundries are installing rooftop solar plants to reduce dependence on conventional power sources. For instance, a 570-kW solar plant has been generating 68,400 units of electricity per month, significantly lowering operational costs. Some foundries are also adopting a collaborative model, where 3-4 foundries collectively install solar plants ranging from 1 to 5 MW, ensuring shared benefits and optimized power generation.
    - Green Sand Reclamation- To further support sustainability, many foundries are investing in Green Sand Reclamation Plants to recycle used sand. Foundry clusters in Kolhapur and Belgaum have successfully established common sand reclamation plants, reducing waste and improving resource utilization.
- **Rising Exports:** India's foundry sector is expected to see a growth in exports, particularly to Europe, North America, and other emerging markets. The country's large-scale production capacity and cost advantage position it well to cater to global demand for castings.

- **Increasing demand for specialized castings:** The growth of industries such as automotive, aerospace, and energy has created a need for complex, high-precision castings. Indian foundries are leveraging this opportunity to produce high-value castings, which command premium prices.
- **Value-added services**: Many Indian foundries are now offering value-added services, such as machining, assembly, and testing, which enhance the overall value of their castings. These services not only increase revenue but also provide a competitive edge in the market.
- **High-value castings:**

  Some of the examples of high value castings being manufactured in India include:

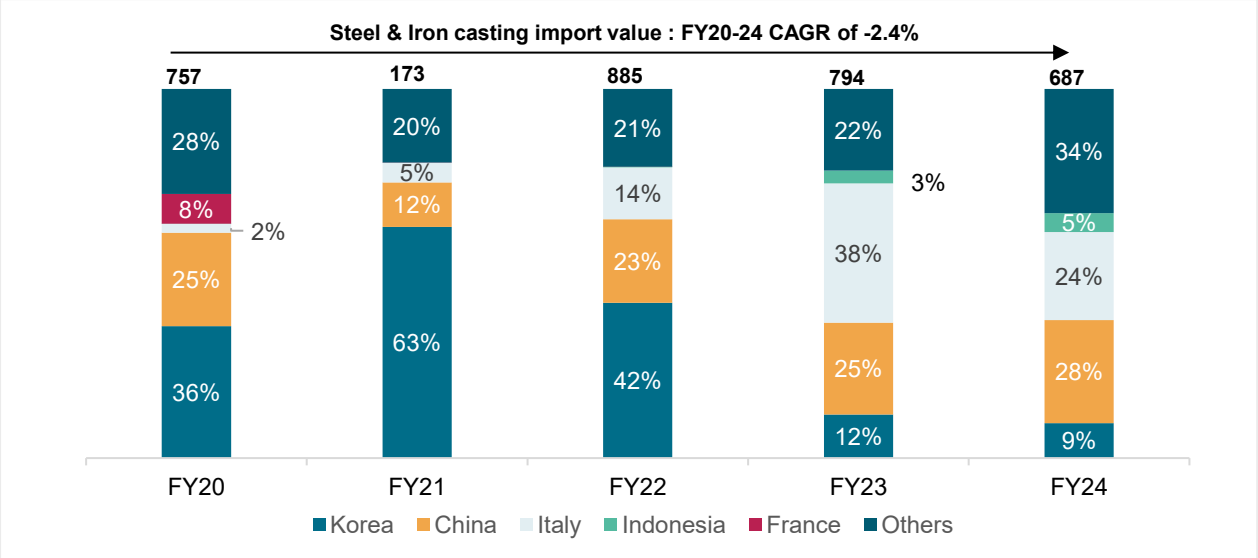
  - Engine blocks and cylinder heads for the automotive industry
  - Aerospace castings, such as turbine components and engine parts
  - Industrial pump and valve castings for the oil and gas industry
  - Medical equipment castings, such as implantable devices and surgical instruments
  - Wind turbine castings, including hub and base components

By focusing on high-value castings and providing value-added services, the Indian castings industry is able to command better prices and improve profitability, making it a significant contributor to the country's manufacturing sector.

Trade overview (engineering castings)

Imports trend

Steel & Iron Casting Imports by Value (in Rs million)



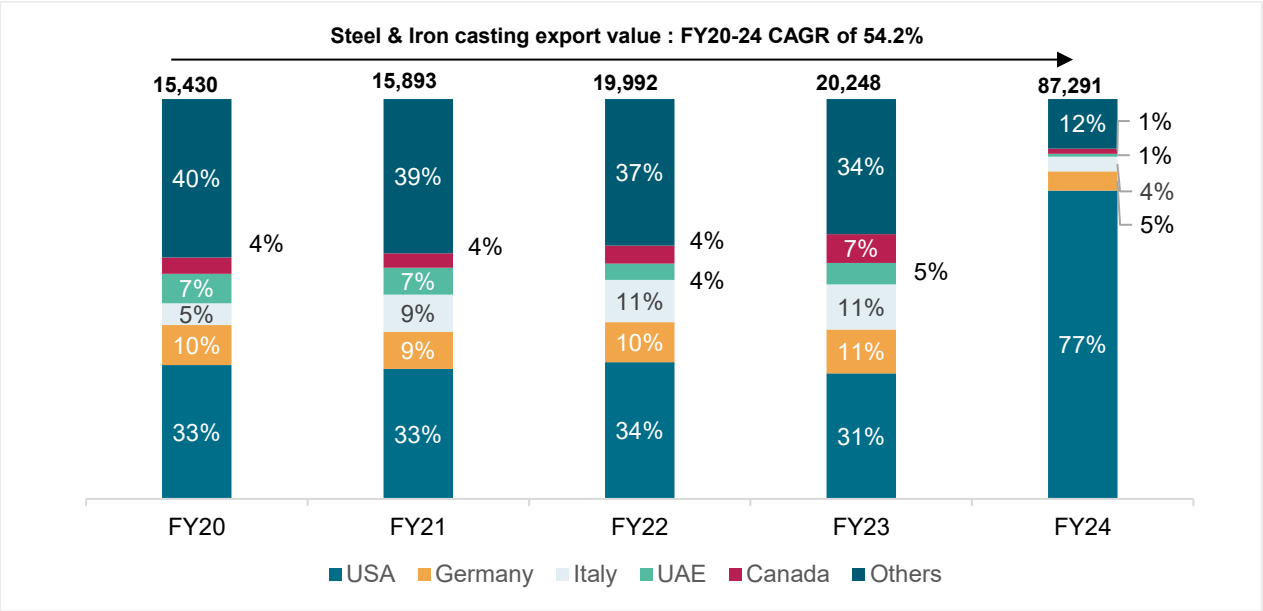
Source: Crisil Intelligence, DGFT

India's steel and iron casting imports decreased from Rs. 757 million in fiscal 2020 to Rs. 687 million in fiscal 2024, registering a CAGR of -2.4% during fiscals 2020-2024. The top 5 countries on the basis of import value were- Korea, China, Italy, Indonesia and France. The distribution of imports from these primary countries has been shifting over the years.

In fiscal 2024, China and Italy together contributed to ~52% of the overall value of steel and iron castings imported. Although Korea accounted for 36% of imports during fiscal 2020, but its share plummeted to 9% by fiscal 2024. Conversely, Italy's share surged from 2% in fiscal 2020 to 38% in fiscal 2023, before settling at 24% in fiscal 2024. China maintained a relatively stable presence, with its share ranging from 25%in fiscal 2020 to 28% in fiscal 2024. Notably, Indonesia emerged as a new source, contributing 5% of imports in fiscal 2024.

Exports trend

Steel & Iron Casting Export by Value (in Rs million)



Source: Crisil Intelligence, DGFT

India's steel and iron casting exports value increased from Rs. 15,430 million in fiscal 2020 to Rs. 87,291 million in fiscal 2024, registering a CAGR of 54.2% during fiscals 2020-2024. USA topped the list of top 5 importers of India's steel and iron casting- USA, Germany, Italy, UAE and Canada.

The country wise export break-up of steel and iron casting shows a significant shift in fiscal 2024, with the United States increasing its share to 77% from 31% in fiscal 2023. In contrast, other countries have seen their shares decline, with Germany's share dropping to 5% (half of fiscal's 2020's share; 10%). The United Arab Emirates and Canada have minimal shares in fiscal 2024, at 1% each, down from 5% and 7% respectively in fiscal 2023.

Overall, US has emerged as a dominant market for steel and iron casting exports, while other countries have lost ground in fiscal 2024. The following are a few reasons:

- Shift from China (China+1 Strategy): US buyers are reducing dependency on China due to geopolitical tensions, turning to India as a reliable alternative.
- Decline in Global Supply: Exporters from regions like Europe and China faced higher costs or trade barriers, creating space for Indian suppliers. For example, energy crises in Europe and rising production costs reduced EU's competitiveness. India filled the gap by ramping up production and leveraging lower input costs.
- Rising US Demand: Sectors like automotive, construction, and machinery in the US saw strong demand, boosting imports of castings.
- Improved Indian Capability: Indian foundries have upgraded quality, certifications, and ESG compliance—making them globally competitive.
- Favorable Forex and Incentives: The relatively weaker rupee and export schemes like RoDTEP helped Indian exporters offer competitive pricing. Castings being labor-intensive, India retains an edge over developed nations in cost efficiency

Overview of aggregate crushers industry

The aggregate crushers industry in India plays a vital role in supplying aggregates - gravel, crushed stones, and sand, for the construction and infrastructure sectors. It forms a crucial part of the construction materials industry and serves as the backbone of infrastructure development in India, which is experiencing a rapid increase in urbanization and infrastructure projects such as highways, bridges, and buildings.

The aggregate crushers and crushing equipments are made up of metal surfaces that are capable of compressing materials, such as stones, quartzite, rocks, iron, etc. Crushers are essential in reducing large rocks and materials into smaller, more manageable sizes for various industrial applications.

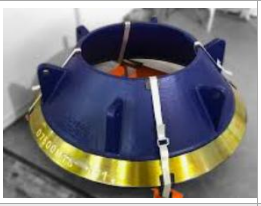
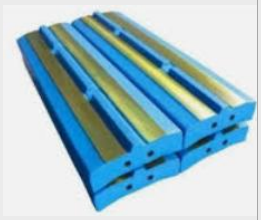
Aggregate crushers or stone crushing machines are used in various fields such as building materials, mining, metallurgy, highways, chemistry, railways, as well as continuous requirement from construction activities, such as highways, roads, canals, buildings, bridges, etc. Growing construction activities, steady growth of economies as well as continuous development of roads and highways is expected to fuel the demand for stone crushing equipment.

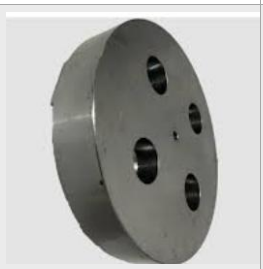
Critical Components used in Aggregate Crushers

The efficiency and durability of these crushers rely on several critical components, which play a key role in the crushing process. These components, such as jaw crusher, jaw plates, mantles, concaves, blow bars, and impact plates, are subjected to extreme wear and impact forces. To ensure their strength and longevity, they are manufactured using the casting process, which allows for high precision, durability, and resistance to heavy loads. Casting enables the production of complex shapes and metallurgical compositions tailored to withstand the harsh operating conditions of crushers.

The quality of these cast components directly impacts the crusher's performance, making them a crucial factor in determining efficiency, maintenance cycles, and overall productivity in aggregate processing.

Application areas and material used for critical casting components used in Aggregate Crushers

Component	Picture	Application	Material used
Jaw Plates		Crush large rocks into small aggregates	Alloy steel, High manganese steel
Cone crusher mantle & bowl liner		Used for secondary crushing	Alloy steel, Manganese steel, Ni-Hard Steel
Hammer & blow bars		Used in Impact crushers to break down the material	High chromium, Cast Iron, Manganese Steel
Crushers liners		Protects crushers chamber from wear	High chromium Iron, Manganese steel

Component	Picture	Application	Material used
Rotors & end disks		Used in impact crushers and hammer mill	High chromium steel, cast alloy steel
Crusher bearings		Supports rotating parts and reduces friction	Metal alloys
Feed tubes & distribution plates		Controls material distribution in VSI crushers	High Chromium cast iron

Source: Industry, Crisil Intelligence

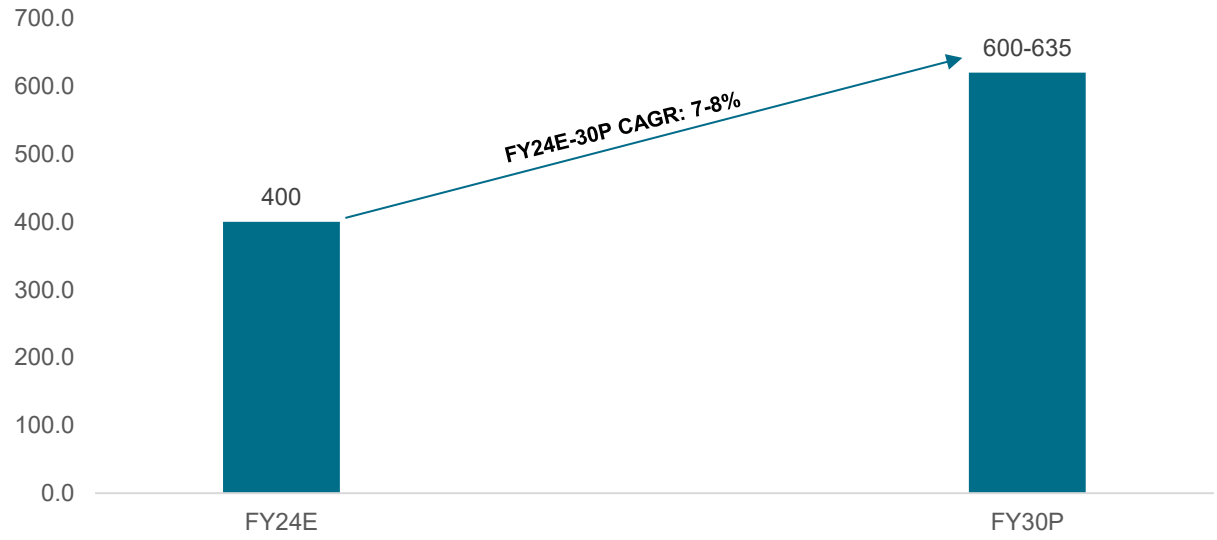
The manufacturing of critical components used in aggregate crusher is a complex, multi-step process involving several stages of design, material selection, component fabrication, assembly, and testing. Major steps include:

1. **Fabrication of Crusher Components**:
    - Cutting and Shaping: Metal sheets and billets are cut and shaped into specific parts using tools like CNC (Computer Numerical Control) machines, laser cutting machines, and press brakes. Parts like the crusher frame, feed hoppers, and jaw frames are fabricated in this step.
    - Casting: Larger or more complex components like crusher heads, mantles, and rotors are often produced using casting techniques. Sand casting or die casting processes involve pouring molten metal into molds to create parts.
    - Machining: After casting, these parts undergo machining processes such as milling, drilling, turning, and grinding to achieve the required dimensions, smooth surfaces, and tolerances.
    - Welding: In some cases, parts are welded together to form sub-assemblies, like the crusher's frame, for additional strength and durability.
2. **Heat Treatment:**
    - Hardening and Tempering: Many parts, especially jaw plates and blow bars, undergo heat treatment (like quenching and tempering) to increase their hardness and resistance to wear. The metal is heated to a high temperature and then rapidly cooled to harden the material.
    - Annealing: For some components, annealing (controlled heating and cooling) is done to relieve internal stresses and improve the toughness of the material, preventing cracking during operation.
3. **Testing and Quality Control**:
    - Wear resistance: Some parts are subjected to wear tests to determine their expected life in actual field conditions.

- Quality Control: Each component is rigorously inspected during various stages of the manufacturing process to meet quality standards. A final inspection ensures that the finished product meets the design specifications and is free of defects.

India's castings for Aggregate Crushers- overview and outlook

Castings used for Aggregate Crushers (Demand in KT)



E: Estimated; P: Projected
Source: Industry, CRISIL Intelligence Consulting

India's castings demand for aggregate crushers industry for fiscal 2024 is estimated at ~400KT.

This demand for aggregate crushers market in India is closely tied to the demand for construction materials, as aggregate crushers are used to produce crushed stone, sand, and gravel that are essential for the construction and infrastructure industries.

It is projected to increase at a CAGR of ~7-8% during fiscals 2024-2030 and reach ~600-635 KT in fiscal 2030.

The market size is driven by factors such as urbanization, infrastructure development, and growth in the construction and real estate sectors.

Key Drivers of Demand:

1. Infrastructure Development: India has significantly ramped up its infrastructure development, including highways, smart cities, railways, and airports. This ongoing development generates a steady demand for aggregate crushers, as they are essential in producing crushed stone and sand for concrete, road construction, and other infrastructure projects.

   The National Infrastructure Pipeline (NIP), which includes investments of over $1.5 trillion in infrastructure projects, is a major driver for the market.

2. Government Initiatives: Initiatives like the Pradhan Mantri Awas Yojana (PMAY) to provide affordable housing, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and the Smart Cities Mission are contributing to the rapid growth of the construction and real estate sectors, which in turn drives demand for aggregates produced by crushers.

3. Construction and Real Estate: The Indian construction industry, which is growing at a steady pace, remains a major consumer of aggregates produced by crushers. Real estate development, including residential, commercial, and industrial projects, is a key factor driving demand. As India urbanizes rapidly, the demand

for sand, gravel, and crushed stone for concrete production and road construction increases, leading to growth in the aggregate crusher market.

4. Mining Sector: The mining sector in India, which produces minerals such as iron ore, coal, and bauxite, also requires crushers for size reduction and material processing, driving demand for aggregate crushers.

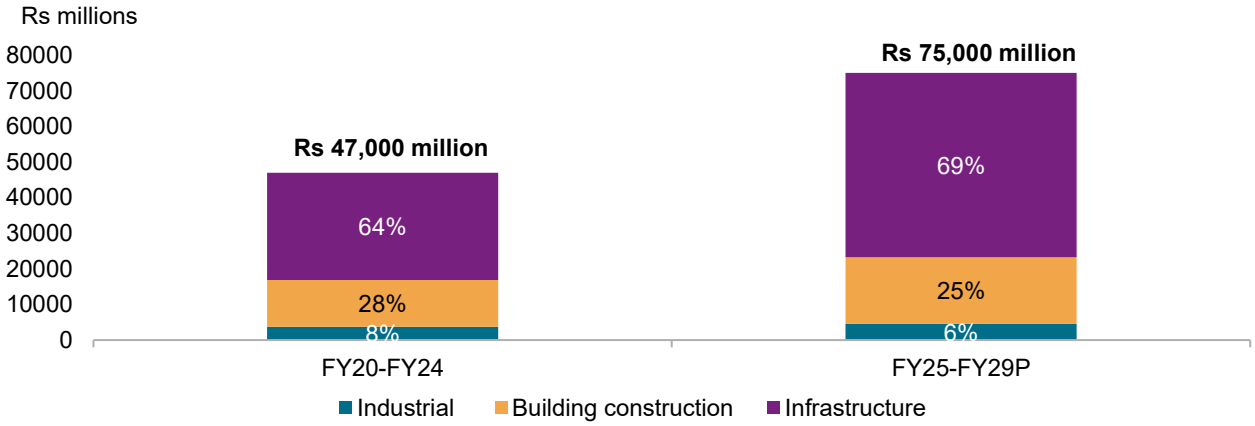
The aggregate crushers industry's growth is directly linked to the Construction and Mining sectors of India.

Construction investment outlook in key infrastructure segments

The construction sector is projected to grow 7-9% in fiscal 2025, with a major contribution from the infrastructure segment, coupled with the increasing pace of progress of schemes such as the National Infrastructure Pipeline (NIP), the National Monetisation Pipeline (NMP) and PM Gati Shakti initiatives.

Construction capex is estimated to have risen 13% on-year to Rs 12,000 million in fiscal 2024 led by a visible increase in central and state budget allocations to meet the infra development target outlined in the NIP.

Construction investment review and outlook



Source: Crisil Intelligence

The overall investment is expected to increase 60% to Rs 75,000 million over fiscals 2025-29P compared with the levels over fiscals 2020-24. The share of infrastructure projects is expected to increase to ~70% over the next five years from ~64% in fiscal 2024, as investments in infrastructure are expected to grow faster than that in other segments due to the government's focus on the NIP, NMP and the PM Gatishakti initiatives. The central government's focus on roads, urban infrastructure and railways will also boost infrastructure investments.

Construction investments are projected to grow at a 6-8% CAGR over fiscals 2025 to 2029, led by the infrastructure segment over the medium to long term as the building construction and industrial sectors record sedate growth rates.

Roads and railways dominated by public funds will lead growth in the infrastructure segment. The key infrastructure sub-sectors will see healthy growth over the medium term, led by the government's infrastructure push and the NIP.

Key infrastructure sub-sectors

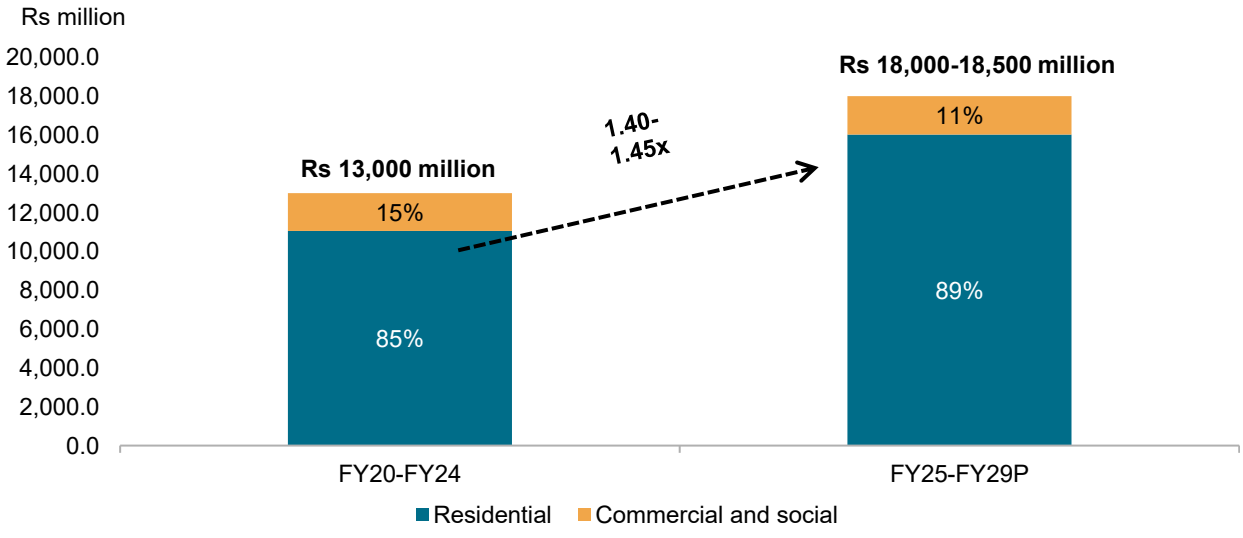
	Sector	FY20-FY24 CAGR	FY24A Rs lakh crore	FY25P	FY26P	FY25-29P/ FY20-24	Source of funds (FY24E-28P)
	Roads	13%	3.8	11-13%	10-12%	1.8x	60% 21% 19%
	Power	12%	0.4	9-11%	2-4%	1.5x	16% 30% 54%
	Railways	15%	1.1	5-7%	5-7%	1.7x	84% 16%
	Urban infra	33%	1.4	4-6%	4-6%	1.8x	43% 53% 4%
	Irrigation	11%	0.9	6-8%	6-8%	1.5x	9% 91%
	Other infra	8%	0.2	6-8%	8-10%	1.2x	Center
	Total Infrastructure	16%	8.0	7-9%	7-9%	1.7x	State, Private

Source: Crisil Intelligence

Construction investments are projected to rise ~60% over fiscals 2025-29 compared with those over fiscals 2020-24 with investments in infrastructure expected to rise 1.7 times and building construction and industrial segments lagging at 40% and 30%, respectively, over the same period.

Investments in building construction are expected to grow 4-6% in fiscal 2025 mainly led by urban affordable housing, which currently constitutes ~25% of the incremental urban addition and is expected to slowdown in the coming fiscals as the government approaches its targets.

Construction spending (at current prices)



Note: P: Projected
Source: Crisil Intelligence

Investments in the sector are expected to rise ~1.4 times to Rs 18,000-18,500 million over fiscals 2025-29 from Rs 13,000 million over fiscals 2020-24.

The Union Budget 2025 has unveiled a groundbreaking initiative to transform India's cities into thriving economic hubs. The highlights include:

- ₹1 Trillion Urban Challenge Fund: A massive fund has been allocated to drive innovative urban development, focusing on water and sanitation infrastructure.
- Government Support: The central government will bear up to 25% of the costs for bankable projects, providing significant financial backing for urban redevelopment.
- Urban Growth: The budget emphasizes the importance of cities as drivers of economic growth, aiming to create jobs, stimulate economic activity, and increase tax revenues.

This move is expected to have a profound impact on the construction and infrastructure sector, leading to:

- Increased Investment: The massive fund will attract significant investment in urban infrastructure, creating new opportunities for construction companies and related industries.
- Sustainable Development: The emphasis on innovative redevelopment will promote sustainable growth, reducing the environmental impact of urbanization.

Overall, the Urban Challenge Fund is a game-changer for India's cities, and the construction and infrastructure sector is poised to benefit significantly from this initiative.

Mining sector in India, key govt. initiatives and growth drivers

The main minerals mined in India are coal, iron ore, and limestone, which are intricately linked to the country's power, steel, and cement industries. Coal, the primary source of fuel for India's thermal power plants, accounts for over 75% of the country's electricity generation.[15] Iron ore, a crucial raw material for steel production, is used to manufacture steel, which is a key input for the construction and infrastructure sectors. Limestone, a vital component in cement production, is used to manufacture cement, which is a fundamental building material for the construction industry. The power sector, which is heavily reliant on coal, is also closely tied to the steel and cement industries, as electricity is a critical input for the production of steel and cement.

Power

India's power sector is a vital component of the country's economic growth. Power consumption in India in FY23 logged a 9.5% growth to 1,503.65 billion units (BU), as compared to 1,374.02 BU in FY22. As the world's third-largest electricity market, India's power industry is poised for significant expansion to meet the rising energy demands of its rapidly growing population and economy. However, the sector also faces the daunting task of reducing its substantial environmental impact, with the power sector contributing to around 40-45% of India's total greenhouse gas emissions.

Steel

India's steel industry plays a crucial role in the country's economic development, as the world's second-largest steel producer, India's steel sector is both a cornerstone of its economy (~2% of GDP in fiscal 2024[16]) and a major source of greenhouse gas emissions, contributing to 10-12% of India’s total emissions in fiscal 2024 (Ministry of Steel). The industry faces the challenge of meeting rising demand, while simultaneously reducing its carbon footprint to align with national and global climate goals.

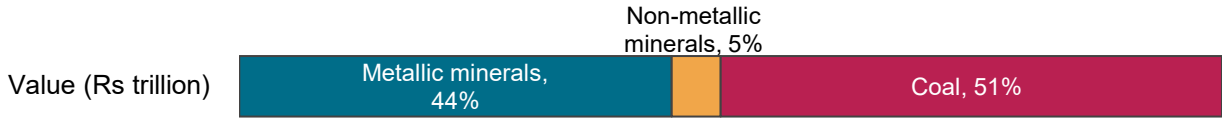
[15] Central Electricity Authority (General Review)

[16] https://pib.gov.in/newsite/PrintRelease.aspx?relid=153661

Cement

Cement plays a pivotal role in driving economic growth. India, the world's second-largest cement producer, accounts for ~8% of global installed capacity, following China. As of fiscal 2024, the country's installed capacity stood at 637 MTPA, with production at ~459 MTPA[17]. Industry is expected to have strong growth in the coming decades, with increased private and public-sector spending on infrastructure in the country.

Figure 0.1: Value of minerals in India distribution



Source: Ministry of Mines, Government of India, total value of mineral production is Rs 2.5 trillion for fiscal 2024.

Coal and iron ore are the bedrock of India's mineral wealth, playing a critical role in driving the nation's industrial and economic progress. These minerals not only fuel the country's energy needs but also support the backbone of its manufacturing sector, particularly in steel production.

The value of minerals mined in India is approximately evenly split between the coal and non-coal minerals. Coal is undeniably the most crucial mineral for India, accounting for ~51%[18] of the total value of minerals mined in the country. Given India's large population (largest country by population in the world with ~1.44 billion people in 2024 according to IMF estimates) and rapidly growing economy (6.5% real GDP growth rate expected from CY2024 to CY2029, according to the IMF[19]), the demand for energy is ever-increasing, making thermal coal indispensable for ensuring energy security. The importance of coal is further underscored by its widespread use in various industries[20], from cement to chemicals, contributing significantly to India's industrial output. Also coking coal plays a critical role in the steel industry, which is a key sector for infrastructure development.

Besides coal, metallic minerals contribute to the country's mineral wealth significantly, at ~44%[21] of the value of minerals mined. Iron ore, contributing ~36% to the total value of minerals mined in India, is another essential mineral that underpins India's economic framework. Approximately 81%[22] of the value generated by metallic minerals in India comes from iron ore, reflecting its importance. Iron ore is the primary raw material for steel production; steel, in turn, is fundamental to building infrastructure, from bridges and roads to factories and residential buildings. With India being the second largest producers of steel globally, the demand for high-quality iron ore is ever-growing. Given that the mining industry contributes ~2.1% to India's GVA, coal and iron ore contribute about 86% of this number. Coal, with its 51% share in the value of minerals mined, accounts for a significant portion of this GDP contribution, primarily through its role in power generation (~72% of coal demand is from the power sector, including captive power plants[23]). Iron ore's 36% share, driven by its critical role in steel production, also makes a substantial contribution to the GDP (~2% via the steel industry[24]).

[17] Crisil Intelligence

[18] Ministry of Mines, Government of India, total Value of Mineral production

[19] As per International Monetary Fund (IMF)- World Economic Outlook (April 2024)

[20] Mentioned the share of coal demand in various sectors in detail in the coal demand & supply dynamics chapter

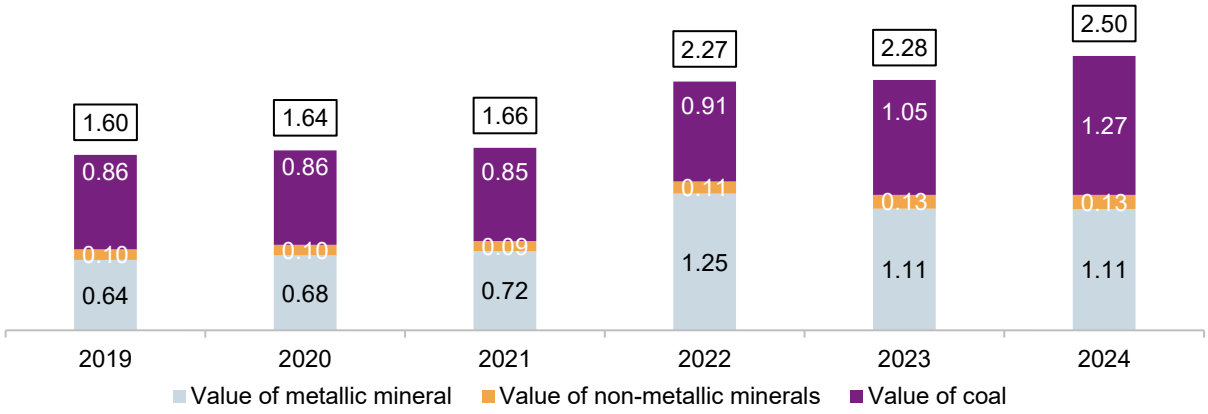
[21] Crisil Intelligence

[22] Ministry of Mines

[23] Crisil Intelligence and Ministry of Mines

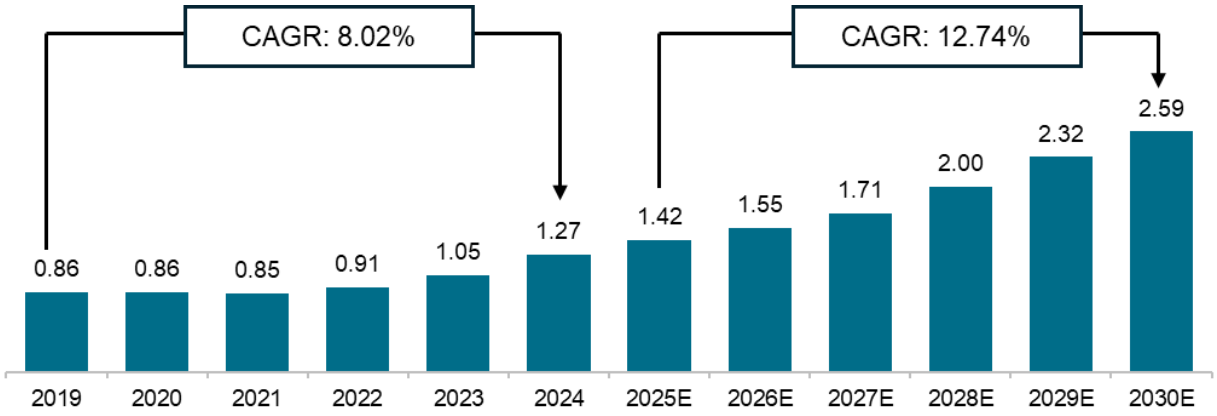
[24] National Steel Policy 2017, Ministry of Steel, Government of India

Figure 0.2: Value of minerals (coal and major minerals) in India (Rs trillion)



Source: Ministry of Mines and Crisil Intelligence, total value Rs ~2.5 trillion in fiscal 2024; All years are fiscal years

Figure 0.3: Value of coal produced in India and expected future value (Rs trillion)



Source: Ministry of Mines, Crisil Intelligence analysis assuming growth rate of 7.0% in coal supply growth; All years are fiscal years, E: Estimates

On an overall basis, the rise in infrastructure development and automotive production are driving growth in mining sector. Power and cement industries are also aiding growth for the sector. Demand for iron and steel is set to continue given the strong growth expectations for the residential and commercial building industry

Following are some of the government initiatives for mining sector:

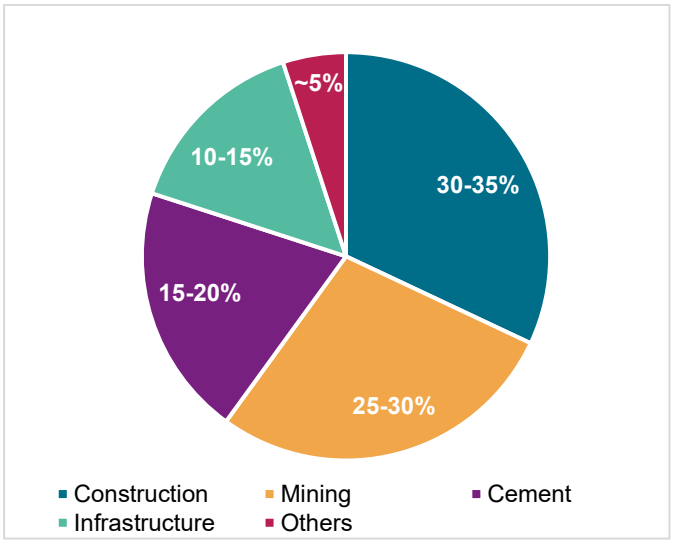
- **Vision 2030:** The Ministry of Coal (MoC) is focused on supporting the target of producing 1.5 BT (1,500 MT) of coal by Fiscal 2030 by ensuring that infrastructure development keeps pace with production increases.
- **Vision 2047:** As per Vision @2047, coal is likely to be the major contributor for energy security of the nation. As per CIL's 1 BT plan, CIL and its subsidiaries target to achieve 1 BT (1,000 MT) production by Fiscal 2027. Further, considering the domestic demand for coal, the tentative long-term production projections for CIL are expected to peak at 1,300 MTPA by Fiscal 2035. It is expected that the company will have to maintain 1 BT (1,000 MT) production until 2047 owing to the domestic demand.
- **Underground vision plan**: CIL has prepared and finalised the underground vision plan document in Fiscal 2023 envisaging 100 MT coal production by Fiscal 2030 from its underground mines. It has planned to introduce more and more Mass Production Technology (MPT) in its UG mines to achieve this milestone.

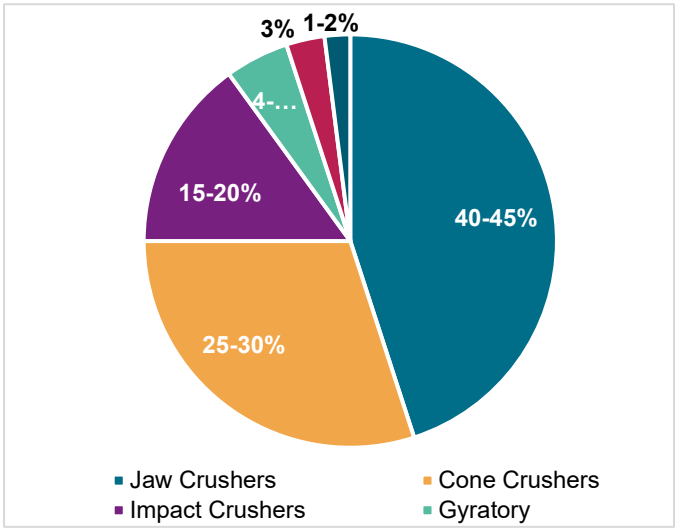
- **Commercial coal mining:** In Fiscal 2020, the government allowed commercial coal mining, allowing private players to enter coal mining and sales with no restrictions on the end use of the fuel. Until August 2024, a total of nine tranches for commercial coal mining were launched with around 105 blocks successfully auctioned. Currently, tranche No XX (20th round) is being auctioned under the CMSP/ X tranche (10th round) of auctions under MMDR is ongoing with 61 coal mines put up for auction. The government views coal as a pivotal contributor to the vision of becoming a US$ 5 trillion economy.
- **Indian mining structural reforms 2021**: The Mines and Minerals (Development and Regulation) Amendment Act in 2021 paved the way to increase domestic production and curtail imports, private sector participation and mining employment. The Act facilitates auctions to re allot mining blocks facing legacy cases. Another reform is regarding captive mines for which end use was previously restricted to the mine leaseholder. The provision also allowed the sale of 50% of the mineral production in the open market after utilising the production to be used in the company plant after payment of additional payment.
- **Mission coking coal:** The MoC launched Mission Coking Coal as part of the Atmanirbhar Bharat initiative. Domestic raw coking coal production is expected to reach 129 MT by 2030, as per CRISIL MI&A Consulting estimates. CIL plans to increase production from existing mines and also identify new mines. Until February 2024, the ministry has allocated 16 coking coal blocks to the private sector and most of them are expected to start production by Fiscal 2025.

Some of the major drivers and opportunity in coal demand are:

- **Increased power demand owing to economic expansion, rising population, increasing urbanisation and industrialisation**: Between Fiscals 2019 and 2024, the country's gross domestic product (GDP) logged 4.3% CAGR. The per capita GNI (at current prices) increased from Rs 1.41 lakh in Fiscal 2019 to Rs 1.70 lakh in Fiscal 202336, largely driven by increased industrialisation, rapid growth of the services sector and urbanisation. During the period, energy demand clocked 5% CAGR, making the country the third largest energy consumer globally.
- **Rise in per capita consumption with increased electrification and deeper penetration of energy intensive appliances such as air conditioning systems**: The per capita electricity consumption rose from 1,010 kWh in Fiscal 2015 to 1,33137 kWh in the Fiscal 2023, clocking a CAGR of ~3.5%, owing to increased power availability, investments in the power sector, reduction in transmission and distribution losses and rising disposable income of households. Even so, the country's per capita energy consumption lags developed economies. In fact, per capita consumption is far lower than the global average of ~3,70038 kWh. But, with consumption levels progressively converging towards those of higher income countries, demand for power will increase.
- **Growth in the manufacturing segment:** Besides power generation, coal is also used directly in industry as fuel and as a reactant in the production of steel (coking coal). Sectors such as aluminium and cement, too, use large quantities of coal.
- **Infrastructure development:** Coal finds application in the manufacture of steel and cement- two critical inputs for infrastructure development. Cement production in Fiscal 2023 stood at 375 MT, up from 328 MT in Fiscal 2019. Coal-based sponge-iron production also rose from ~28 MT to 36 MT during the period, logging a 4-year CAGR of 6.5% (from 2019 to 2023) and driving demand for non-coking coal.

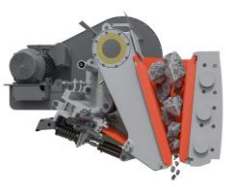
Demand segmentation of aggregate crushers by end use industries and type of crusher





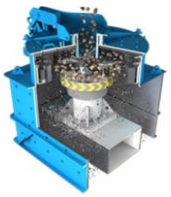
Source: Industry, CRISIL Intelligence

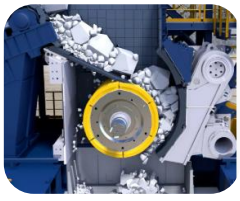
Types of crushers


Jaw crusher

Cone crusher

HSI


VSI


Roll crushers

Hammer crusher

Gyratory crusher

Source: Industry, CRISIL Intelligence

End use industry applications for each type of crushers

Type of aggregate crusher	Type of crushing activity/ Stone sizing	End use industry application
Jaw Crushers	Primary crushing- large size rocks to small	• Construction- for producing aggregates, which are crucial in concrete and road construction • Mining- to break down ores, such as gold, coal, iron ore, and copper, into smaller sizes for further processing • Recycling- Used in demolition projects for recycling concrete and other materials
Cone Crushers	Secondary, tertiary, quaternary- medium size	• Construction and road building- create high-quality aggregate material for roads, highways, and other construction projects • Mining- crush ores like copper, iron, gold, and nickel to produce uniformly sized material for smelting and refining • Aggregate production- Ideal for producing gravel, sand, and crushed stone for use in asphalt and concrete production
Impact Crushers (VSI, HSI)	Secondary, Tertiary- fine aggregates	• Recycling- to crush concrete, asphalt, glass, and construction debris for reuse in construction • Industrial- processing materials like gypsum, salt, phosphate rock, and clay • Production of manufactured sand- to produce high-quality manufactured sand from rocks or gravel for construction use
Roll Crusher	Secondary and tertiary- fine aggregates	• Mining- for crushing materials like salt, coal, gypsum, and chalk into smaller sizes for further processing • Chemical- for reducing the size of sulfur, potassium, and fertilizer materials • Glass- crushing raw materials, including glass cullet
Hammer	Primary as well as secondary	• Coal crushing- to crush coal, lignite, and coke for power generation • Cement- crushing limestone, clay, and other materials used in cement production • Mining- crush hard and soft ores of gold, silver, copper, and iron • Recycling- crushing metal scrap, e-waste, and glass
Gyratory	Primary	• Mining and quarrying- used in quarries and mines to handle larger quantities of rock or ore before secondary or tertiary processing • Aggregates production- high-capacity aggregate production when large volumes of crushed material are required

Source: CRISIL Intelligence Consulting, industry

Rock crushers can be broadly categorized into two primary groups: compressive crushers, which crush material by applying pressure until it breaks, and impact crushers, which rely on rapid impacts to achieve the same result. The compression principle is utilized by jaw, gyratory, and cone crushers, whereas impact crushers employ the

impact principle. Alternatively, rock crushers can be classified based on the stage at which they are used in the processing sequence, with jaw and gyratory crushers typically used for primary crushing and cone crushers for secondary crushing.

Primary Crushing: The First Step in Material Reduction

Primary crushing is the first stage of material reduction, typically carried out by jaw crushers. These robust crushers reduce large materials to a size that can be transported to the next stage of processing. Jaw crushers work by compressing materials between a fixed and moving jaw and are effective in recycling operations due to their simple mechanics.

There are two main types of jaw crushers: single toggle and double toggle. Single toggle jaw crushers have an eccentric shaft located at the top of the crusher, which, along with the toggle plate, generates compressive action. Double toggle crushers, on the other hand, have two shafts and two toggle plates, with the first shaft pivoting at the top of the crusher and the second shaft driving both toggle plates.

Gyratory crushers are also used in primary crushing, featuring an oscillating shaft that reduces material in a crushing cavity.

Secondary Crushing: Achieving Fine and Optimized Results

Secondary crushing is typically carried out by cone crushers, which are similar to gyratory crushers but more commonly used in later stages of the crushing process.

Cone crushers are often used in secondary, tertiary, and quaternary crushing stages, although they can also be used as primary crushers if the material's grain size is naturally small enough. Cone crushers are equipped with a hydraulic setting adjustment system, allowing for adjustment of the product gradation.

To optimize operating costs and improve product shape, cone crushers should be choke fed, with the cavity as full of rock material as possible. This can be achieved by using a stockpile or silo to regulate fluctuations in the feed material flow.

Versatile Impact Crushers

Impact crushers can be used in all crushing stages, utilizing the principle of quick impacts to reduce material size. They are classified into two main types: Horizontal Shaft Impact (HSI) crushers and Vertical Shaft Impact (VSI) crushers.

HSI Crushers

- Used in primary, secondary, or tertiary crushing stages
- Reduce material through intensive impacts from rotating hammers or bars
- Produce a finer, better-shaped product through collisions with the crusher chamber and other particles

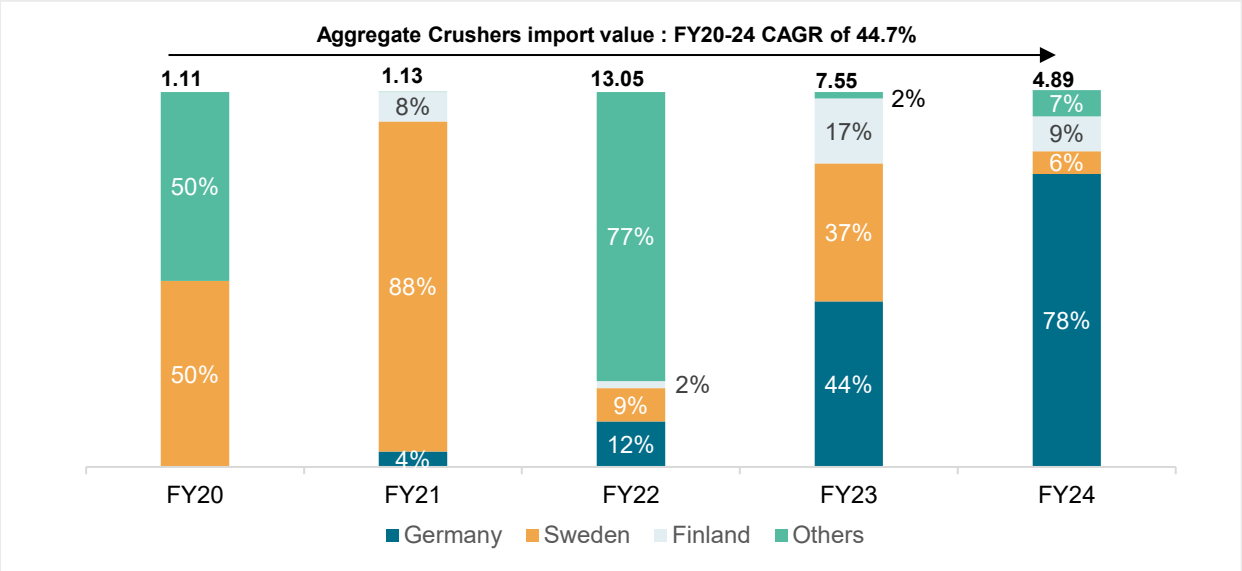
VSI Crushers

- Used in the final stage of crushing, especially for precise cubical shapes
- Operate like a centrifugal pump, accelerating material to high speed before discharge
- Crush material through high-speed impact and rock collisions, producing a precise end product.

Trade overview (aggregate crushers)

Imports trend

Aggregate Crushers Imports by Value (in Rs million)



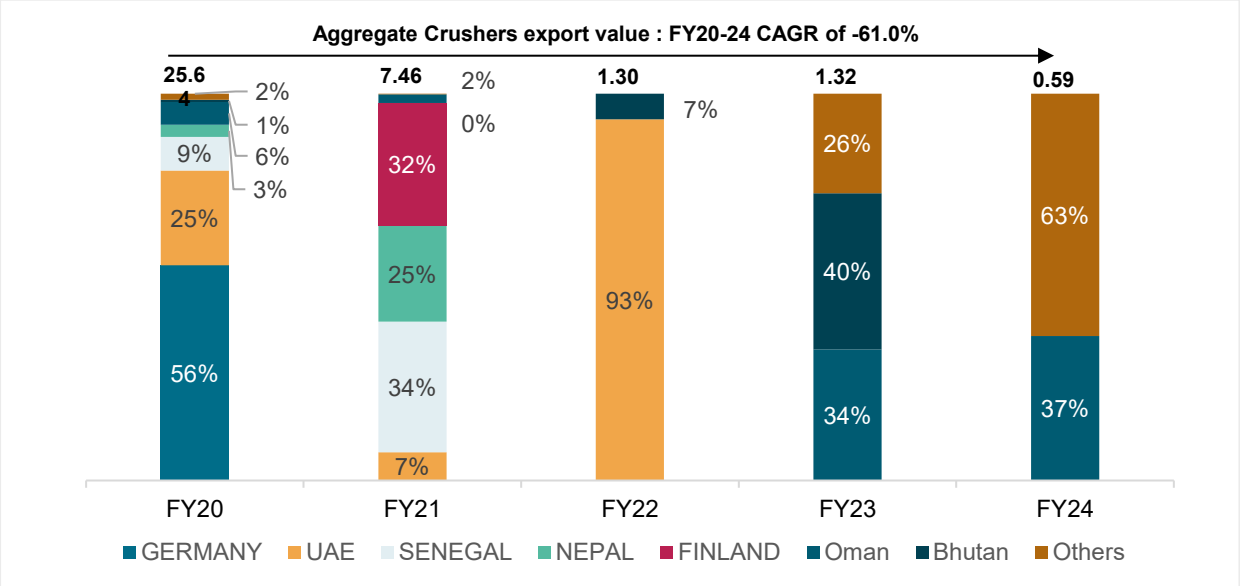
Source: Crisil Intelligence, DGFT

India's aggregate crushers imports increased from Rs. 1.11 million in fiscal 2020 to Rs. 4.89 million in fiscal 2024, registering a good CAGR of 44.7% during fiscals 2020-2024. The top 5 countries on the basis of import value were-Germany, Turkey, Sweden, Finland and Italy.

The data suggests a dynamic trend in the imports of Aggregate Crushers, with significant fluctuations in the proportion of imports from different countries over time. Germany's proportion of imports has increased dramatically, from 0% in fiscal 2020 to 78% in fiscal 2024, indicating a significant increase in imports from Germany. Sweden's proportion of imports was highest in fiscal 2021, at 88%, but has since declined to 6% in fiscal 2024. Finland's proportion of imports has been increasing, reaching 9% in fiscal 2024.

Exports trend

Aggregate Crushers Export by Value (in Rs million)



Source: Crisil Intelligence, DGFT

India's aggregate crusher export industry has experienced a significant decline over fiscal 2020-2024, with the total export value peaking at 25.64 million INR in 2020 and decreasing by 61% annually to reach 0.59 million INR in 2024. The yearly breakup of exports reveals a dynamic shift in the industry's performance across countries, with Germany dominating the exports in 2020 with a 56% share, while the United Arab Emirates and Senegal

accounted for 25% and 9%, respectively. However, by 2021, the UAE's share had dropped to 7%, and Senegal's share had increased to 34%, with Finland emerging as a new player with a 32% share. The subsequent years saw Oman and Bhutan gaining prominence, with Oman's share increasing to 37% in 2024, and Bhutan's share peaking at 40% in 2023.

Company profile: Behari Lal Engineering Ltd.

Business profile of Behari Engineering Ltd.

Behari Lal Group was established by Late Shri Behari Lal Garg in Punjab, is a fourth-generation group. What began as a modest family-run business gradually evolved in both reputation and capability. The group expanded its operations under the name Behari Lal & Sons as a steel commodities trading firm based in Mandi Gobindgarh, Punjab. This expansion marked a pivotal shift, as the company entered the trading of steel billets, sponge iron/DRI, and ferro alloys—laying a strong foundation for its current operations.

Building on a strong foundation in trading, BLEL was established in 1995 by its current Chairman and Promoter, Mr. Parkash Chand Garg. With over 30 years of experience in the steel industry, he is known for his influential leadership, integrity, empathy, and commitment to social responsibility. His visionary thinking and strong value system have been central to BLEL's early growth and the development of its governance framework.

The company's growth was further propelled by Mr. Rajesh Garg, Vice Chairman and Promoter, who brings over 28 years of industry experience. Renowned for his ability to build and maintain strong relationships with stakeholders and investors, he has earned a reputation as a trusted leader in the steel manufacturing sector.

Mr. Dinesh Garg, Managing Director and Promoter has played a pivotal role in the organization's continued development. His industry knowledge and strategic vision have been instrumental in strengthening customer relationships and driving the company's long-term success.

In February 2012, the company started commercial production of steel products through their Steel Melting Shop (SMS) and Foundry Division in Mandi Gobindgarh, marking its entry into large-scale production of customized steel products. This strategic expansion transformed BLEL into a full-fledged manufacturing enterprise and established it as a key supplier of engineering-grade steel for a wide range of industries. This growth was further accelerated by the entry of the fourth generation, marked by Lovlish Garg (son of Mr. Rajesh Garg) joining the business. He has played a key role in driving innovation, developing new products, and exploring diverse market segments. In March 2022, Behari Lal group further expanded its manufacturing capabilities by commissioning its state-of-the-art Rolling Mill Division in Mandi Gobindgarh under the Belco Special Steels Pvt. Ltd. (Currently merged into Behari Lal Engineering Ltd). This modern facility significantly enhanced the company's product portfolio, enabling the production of high-quality rolled steel products to meet the evolving demands of the market.

In addition to the Promoters mentioned above, BLEL's Board of Directors includes seasoned professionals with extensive expertise in fields such as engineering, banking, accountancy, and law. They bring a wealth of experience from leading roles in top government bodies, private enterprises, and industry associations. The company's top management team comprises Mr. Bhuvnesh Garg (CEO), Mr. Aakarsh Goyal (CFO), Mr. Kanav Garg (COO) among others.

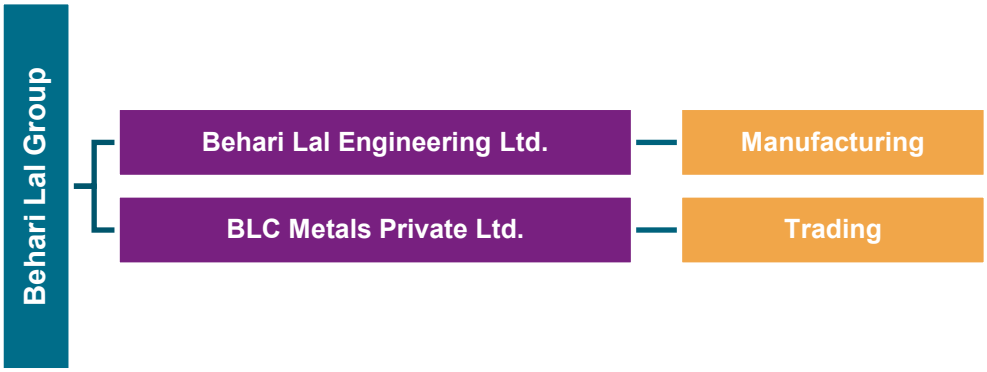
Today, the Behari Lal Group operates as a fully integrated steel manufacturing and trading enterprise with a pan-India presence. Its group company, BLC Metals Pvt. Ltd., continues to supply steel billets, Coal, sponge iron, and ferroalloys across the country. Meanwhile, its manufacturing arm, Behari Lal Engineering Limited (BLEL), comprising the Steel Melting Shop & Foundry Division and the Rolling Mill Division, produces a diverse range of high-quality iron and steel products tailored for various industrial applications. The company has a rich legacy of delivering products tailored to customer-specific requirements and is recognized as one of India's leading integrated foundries.

BLEL's commitment to reliability and trustworthiness has been consistently demonstrated through its long-standing relationships with over 1600+ customers across the country, including top industry leaders. These partnerships are a testament to BLEL's ability to provide tailored solutions and exceptional service, making it a preferred partner for industries seeking high-quality products and reliable supply chain management. With a pan-

India presence, fully integrated manufacturing and trading capabilities, and a customer-centric approach, BLEL is poised to continue its growth trajectory and remain a leading player in the Indian steel industry.

Following are the key companies of the group:

Major group companies



Source: Behari Lal Engineering Ltd.

1. **Behari Lal Engineering Ltd. (BLEL):** BLEL is a manufacturing entity specializing in customized iron and steel products for various engineering applications, with integrated operations across SMS, Foundry, and Rolling Mill divisions.

Recent Acquisition: As per the NCLT order dated 23.08.2024 (effective from 01.04.2022), Belco Special Steels Private Limited (BSSPL), now operating as the Rolling Mill Division, and Parkash Multimetals Private Limited (PMPL), now functioning under Behari Lal Engineering Limited, were merged into Behari Lal Ispat Private Limited. Following the merger, the entity was renamed as Behari Lal Engineering Limited, marking a significant milestone in the company's consolidation and growth journey.

2. **BLC Metals Pvt. Ltd.:** BLC Metals Pvt. Ltd. is the group company as well as a trading entity engaged in the nationwide distribution of steel billets, sponge iron, and ferroalloys.

Infrastructure details

Currently, BLEL operates two plants in Punjab. The group is setting up one additional integrated Metals Rolls facility as well which will enhance production capacity.

The company's manufacturing infrastructure details are as follows:

SN.	Type of Property	Address	Owned/Leased	Installed capacities	
				Product/Activity	Qty (TPA) (FY25)
1.	Manufacturing facility 1- SMS Division and Foundry division	Village Salani, Mandi Gobindgarh, Punjab	Owned	Steel Melt Shop, Foundry & Machine Shop, Manufacture of Alloy & Non-Alloy Ingots, Metal Rolls, Engineering Castings	54,464
2.	Manufacturing facility 2- Rolling Mill Division	Village Turan, Mandi Gobindgarh, Punjab	Owned	Iron & Steel Re-Rolling Mills and manufacturing of Flats, Rounds & Squares etc.	65,000

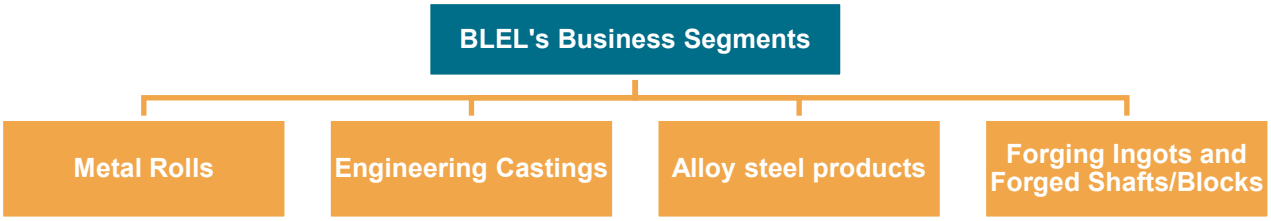
Source: Behari Lal Engineering Ltd.

Existing footprints

BLEL distributes its products across the entire nation, establishing a strong presence in 19 states and 6 Union Territories in India. Additionally, the company has a decent global reach, exporting its products to international markets across 5 continents and in 15 countries viz., Afghanistan, Brazil, Finland, France, Germany, Ireland, Mexico, Nepal, Nigeria, South Africa, Tanzania, Togo, Uganda, UAE, and the USA in the last 3 years.

Past performance review

BLEL derives its revenue from four major business segments: Metal Rolls, Engineering Castings, Alloy steel products and Ingots for Forgings and Re-Rolling. These segments reflect BLEL's diversified product offerings and strong presence across multiple industries.



Segment 1: Metal Rolls

BLEL manufactures high-quality metal rolls for rolling mills, designed to endure the extreme conditions of hot rolling. These rolls are produced using premium materials such as forged steel, cast steel, cast iron, composite metal, or tungsten carbide. They are utilized in rolling processes to produce finished steel products, including TMT Re-Bar, Wire Rod, Angles, Channels, Beams, Rail Strips, and various other sections.

The primary end users are steel manufacturing industries that cater to sectors like Infrastructure, Finished steel manufacturers, infrastructure, automotive and engineering industry. Additionally, cold-rolled steel from these rolls is extensively used in household appliances, aerospace, and automotive engineering.

Segment 2: Engineering Castings

BLEL also manufactures specialized engineering castings with unit weights ranging from 500 kg to 20 MT. These castings are supplied to diverse industries, including:

- Aggregate Crushers for applications in road construction, mining, engineering industry and infrastructure.
- Critical components for Thermal and Hydro-Electric Power Plants, Cement and Steel Plants, machinery structure parts and Heavy Press Dies used in manufacturing automobile body parts.

Segment 3: Alloy Steel Rolled Products

BLEL operates advanced hot rolling mills with roughing facilities to produce a wide variety of carbon and alloy steel bars, available in numerous sections, sizes, and reductions. These bars cater to automobile, bearing, and engineering applications.

Key offerings include carbon, alloy steel, and stainless-steel bars in various sections such as rounds, round corner square, flats and hex, with different sizes and widths 6 mm to 230 mm.

The rolled products are supplied in various conditions, including as rolled, heat-treated, straightened, and bright bar forms, and can be forged, machined, or used directly based on end-user requirements.

Additionally, BLEL has recently introduced value-added grades of alloy steel, such as:

- Tool Steel (with manufacturing capabilities of high-end Grades like D2, D3, H13, DB6) used in manufacturing dies for the plastic, metal, and engineering industries.
- Valve Steel (F Series) used in the oil and gas industry. Additionally, BLEL has recently introduced value-added grades of alloy steel, such as:

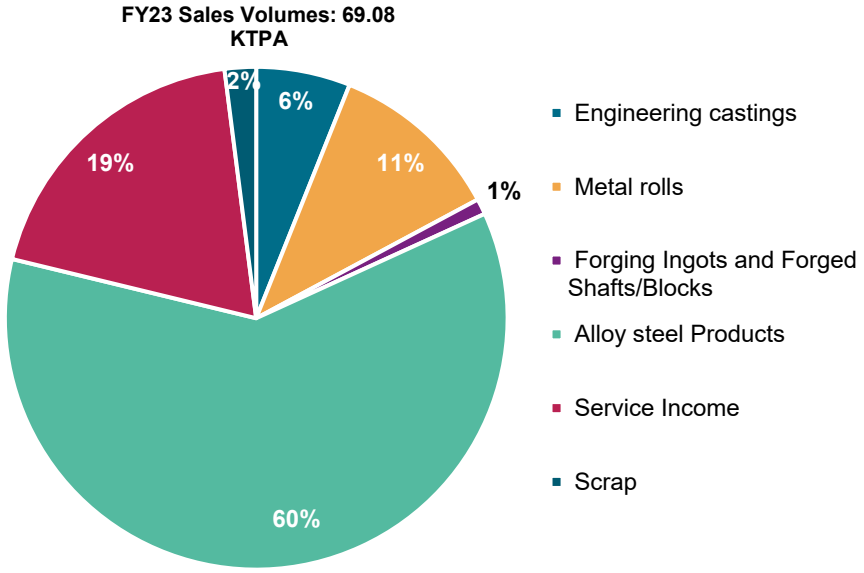
Segment 4: Forging Ingots and Forged Shafts/Block

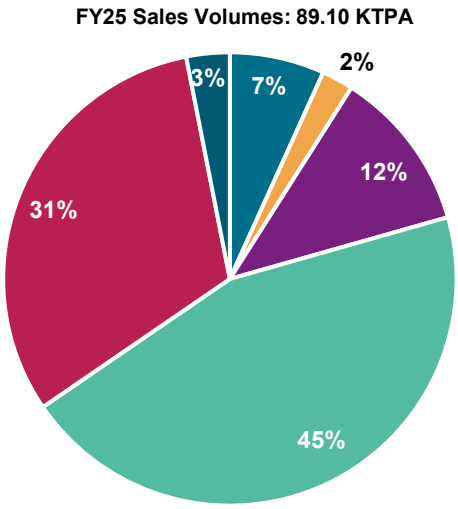
- BLEL produces high-quality ingots in various dimensions, catering to forging, upsetting, and ring-rolling applications. The ingots undergo rigorous inspections to meet industrial quality standards.
- They are manufactured in both square and octagonal/fluted shapes with weights of up to 15 MT and are available in as-cast or ground condition.
- BLEL offers a wide range of ingot grades, including EN8, EN9, C45, ASTM A105, EN19, EN24, D2, and F series, among others. Custom grades are also developed based on specific customer requirements. These find application in industries such as automotive, aerospace, oil & gas, energy, and heavy engineering

Other revenue streams

Apart from the four core segments, BLEL also generates a small portion of revenue from product services. This diversified revenue base highlights BLEL's robust operations and ability to serve a wide array of industries.

Segment-wise sales volume (fiscal 2023 and 2025)





Source: Behari Lal Engineering Ltd., Crisil Intelligence

Segment-wise sales volume (fiscal 2023, 2024 and 2025)

Particulars	2024-25			2023-24			2022-23		
	Quantity	% of total sale qty	Revenue (₹ million)	Quantity	% of total sale qty	Revenue (₹ million)	Quantity	% of total sale qty	Revenue (₹ million)
Engineering Castings	6,021	6.76%	901.06	5,443	6.63%	796.75	4,218	6.11%	649.85
Ingots and forging ingots	2,009	2.26%	116.28	301	0.37%	21.49	897	1.30%	52.44
Metal Rolls	10,330	11.59%	1,247.67	8,774	10.69%	1,131.91	7,763	11.24%	1,031.61
Alloy steel products	39,952	44.84%	2,582.09	35,720	43.54%	2,277.54	41,335	59.83%	2,786.16
Job-Work Income	28,035	31.46%	132.57	29,019	35.37%	128.88	13,272	19.21%	52.54
Others*	2,756	3.09%	99.45	2,786	3.40%	104.26	1,599	2.32%	56.68
Grand Total	**89,103**	**100.00 %**	**5,079.12**	**82,042**	**100.00 %**	**4,460.84**	**69,084**	**100.00 %**	**4,629.28**

** Others Includes high sea sales traded goods and sale of by products*
Source: Behari Lal Engineering Ltd., Crisil Intelligence

Sales volumes of BLEL increased at a significant CAGR of 14% over fiscals 2023-2025, increasing from 69,084 tonnes in fiscal 2023 to 89,103 tonnes per annum in fiscal 2025. Sales Volume for fiscal 2025 increased on year by ~9% from fiscal 2024 level (82,042 tonnes)

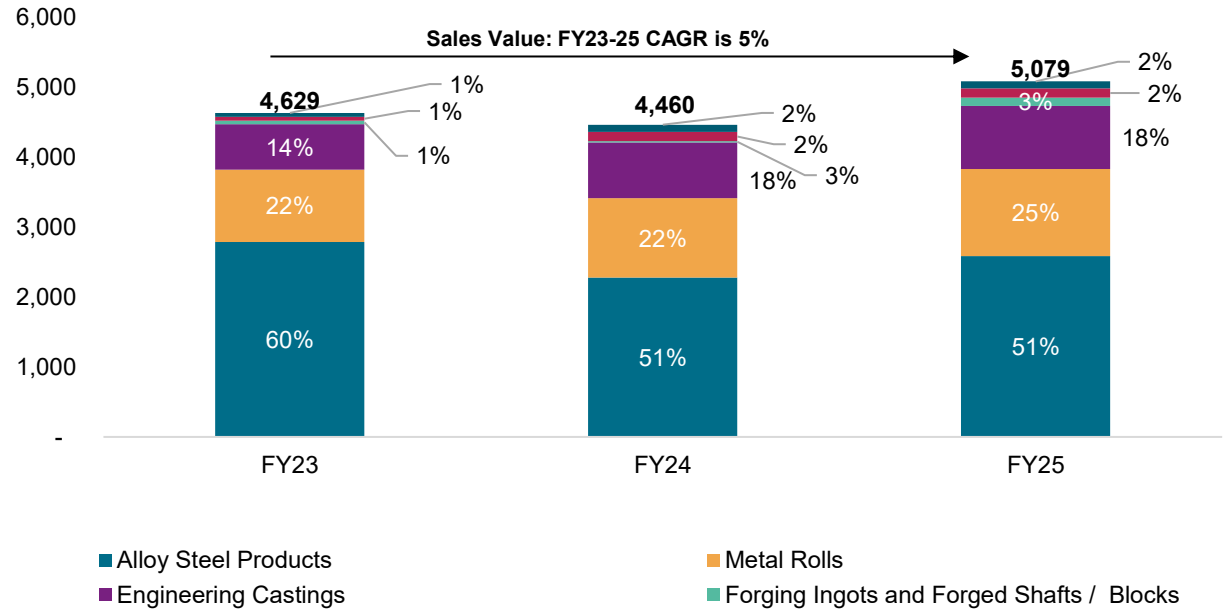
Segment volume wise, Alloy steel products accounted for the largest share almost 45% (39,952 TPA) in fiscal 2025. Metal rolls accounted for 12% while engineering castings accounted for 7% of the overall sales volumes.

Segment-wise sales revenue (Rs. Million)

Particulars	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations
Alloy Steel Products	2,786.16	60.19	2,277.54	51.06	2,582.09	50.84
Metal Rolls	1,031.61	22.28	1,131.91	25.37	1,247.67	24.56
Engineering Castings	649.85	14.04	796.75	17.86	901.06	17.74
Forging Ingots and Forged Shafts / Blocks	52.44	1.13	21.49	0.48	116.28	2.29
Job Work Income	52.54	1.14	128.88	2.89	132.57	2.61
Others*	56.68	1.22	104.27	2.34	99.45	1.96
Total	4,629.28	100	4,460.83	100	5,079.12	100

** Others Includes high sea sales traded goods and sale of by products*
E: Estimated
Source: Behari Lal Engineering Ltd., Crisil Intelligence

Sales Revenue of BLEL increased at a CAGR of 5% over fiscals 2023-2025, increasing from Rs. 4,629.28 million in fiscal 2023 to Rs. 5,079.12 million in fiscal 2025.



E: Estimated

Source: Behari Lal Engineering Ltd., Crisil Intelligence

Segment wise, Alloy steel products accounted for the largest contributor to the revenues, almost 51% (Rs. 2,582 million) in fiscal 2025. Metal rolls revenues accounted for 25% while engineering castings accounted for 18% of the overall sales revenues.

Over fiscal 2023-2025, Metal rolls and engineering castings have shown a disproportionately higher contribution to revenue relative to their volume, implying these are high-value, high-margin products. Alloy steel products, the largest volume contributor, also deliver strong realizations, making them a core driver of BLEL's profitability.

Recent Upgradations to boost sales

BLEL is poised for substantial growth through a series of strategic expansion initiatives and planned investments designed to enhance production capacity, diversify product offerings, and improve operational efficiency.

Recent Upgradations: Fiscal 2024 and 2025

In fiscal years 2024 and 2025, BLEL focused on upgrading its existing facilities to enhance both production capacity and technological capabilities. Key initiatives included:

- Installation of a new melting Furnace with enhanced capacity,
- Addition of a Ladle Refining Furnace (LRF) and Vacuum Degassing Unit (VD) to support the production of high-grade steel products.
- Establishment of a 66 kVA substation to meet increased power demands and ensure stable operations.
- Installation of various Heat Treatment Furnaces with integrated water quenching systems, enabling advanced material processing and expanded product development capabilities.
- Expansion of the Machine Shop with advanced CNC machinery, including CNC Lathes and CNC Vertical Turning Lathes (VTL), to boost machining precision and operational efficiency.
- Acquisition of land for a future project, aimed at further increasing manufacturing capacity.

Competition benchmarking

Operational benchmarking

The table below presents a comparison between Behari Lal Engineering Ltd. and its peers, which manufactures comparable product mix or serves the similar end use industries.

Company-wise product mix and capacities

SN	Product Category	Company Name	Product mix	Capacity
			Main Products	(TPA)
1	A. Alloy Steel products	Jailaxmi Casting & Alloys Pvt. Ltd.	Semi-Finished and Finished Steel Products- Billets and blooms, Angles, Bright Bars, Round Bar, Stainless Steel Billets, Steel Ingots	79,200
2		Jayaswal Neco Industries Ltd	Pellets, Billets & rolled products, pig and sponge iron, Iron & steel castings etc.	1,40,000 (castings); 1000000 (integrated steel plant)
3		Vardhman Special Steel Ltd.	Special steel & alloy steels- hot rolled bars and bright bars	250,000
4	B. Metal Rolls	Bharat Roll Industry Pvt. Ltd.	Metal rolls- steel, iron, alloy, graphite etc., Steel Ingots and metal castings	16,000
5		IFGL Refractories Ltd	Refractory products- Slide Gate Systems, Purging Systems, Ladle Lining & Ladle Refractories, Tundish Furniture's & Tundish Refractories	NA
6		RHI Magnesita India Ltd.	Refractory products- Slide Gate Plates, Nozzles and Well Blocks, Tundish Nozzles, Bottom Purging Refractories and Top Purging Lances, Slag Arresting Darts	500,000
7	C. Engineering Castings	Kennametal India Ltd	Hard materials, cutting tools, tool holders, inserts, blades, disks, crankshafts, cylinder heads etc.	NA
8		Peekay Steel Castings (P) Ltd.	Carbon Steel, Nickel based and SS Steel Castings and Forgings for Oil and Gas, Power, Mining, Earth Moving, Locomotives and other Engineering sectors	22,200
9		AIA Engineering Ltd	High chrome wear parts, high-chrome grinding media, liners and diaphragms, Wear parts for cement plants- High chrome grinding media, mill liners, vertical mill liners, Quarry- Blow bars, hammers, Impellers, anvil, Feed disk, frame liners, Mining- SAG Mill, Ball mill, Verti Mill	520,000
10		Steelcast Ltd	Steel and Alloy Steel Castings- valves & pumps, consumables in steel plants (grate bars), jaw plates, cutters, earth moving equipments, etc.	29,000

Note: Capacity figures are taken as per latest available data on company websites/public domains

Source: Company reports & websites, Industry, Crisil Intelligence

BLEL's product mix and capacities

Particulars	Capacity details	SMS and Foundry Division	Rolling Mill Division	Total
Fiscal 2025	Installed capacity (in MT)	54,464	65,000	1,19,464
	Actual production (in MT)	50,526	57,353	1,07,879
	Capacity utilisation (%)	92.77	88.24	90.3
Fiscal 2024	Installed capacity (in MT)	35,589	65,000	1,00,589
	Actual production (in MT)	30,418	55,559	85,977
	Capacity utilisation (%)	85.47	85.48	85.47
Fiscal 2023	Installed capacity (in MT)	36,129	65,000	1,01,129
	Actual production (in MT)	33,141	43,461	76,602
	Capacity utilisation (%)	91.73	66.86	75.75

Source: Company reports & websites, Industry, Crisil Intelligence

The company's business model stands out from its competitors by adopting a diversified product mix, which optimizes resource utilization and mitigates risks across various industries and geographies. In contrast, many competitors focus on a single product i.e. either rounds or metal rolls or engineering castings, often leading to underutilization of resources, whereas BLEL covers all the three product categories.

BLEL is the only player with the product mix of metal rolls, engineered castings and alloy steel products in India (alloy steel added).

BLEL is one of the few players to have a manufacturing facility fungible enough to manufacture numerous diversified across metal rolls/Engineered Castings and Alloy steel bar.

Behari Lal Group is one of the oldest groups in the steel business with over 79 years of experience in the steel industry.

BLEL is a leading player in India's metal rolls industry, meeting 10% of the country's demand in fiscal 2024. With a strong presence in the organized sector and a customer-centric approach, BLEL is poised to capitalize on the growing demand for metal rolls, expected to increase at a CAGR of 8-10% during fiscals 2024-2030. As a trusted partner to integrated steel players, OEMs, and rolling mills, BLEL is committed to delivering high-quality metal rolls and exceptional service, solidifying its position as a top-tier organized roll manufacturer.

Additionally, the company places a strong emphasis on innovation, constantly developing new grades and products to stay ahead of the competition. This continuous drive for innovation, combined with a focus on product quality and active after-sales service, gives the company a clear edge over competitors.

A significant differentiator is the active involvement of the top management with customers, ensuring an open communication channel that fosters trust and loyalty. Competitors, on the other hand, often lack such direct engagement, which limits their ability to provide personalized service. Moreover, the company enjoys a purchasing power advantage by sourcing raw materials directly from industries in the automobile sector and PSUs. This eliminates middlemen, reduces costs, and guarantees high-quality standards, setting the company apart in terms of efficiency and product excellence.

Financial benchmarking

To benchmark the performance of Behari Lal Engineering Ltd. against its competitors, we have compared the profitability, liquidity and leverage across the peer set. The peer set for financial benchmarking includes companies with operational capabilities and product offerings that are comparable to those of Behari Lal Engineering Limited (BLEL). The benchmarking has been categorized into three distinct groups based on their core businesses, product segments and industries served:

Peer set 1: It comprises three companies namely Jailaxmi Castings & Alloys Pvt. Ltd., Jayaswal Neco Industries Ltd. and Vardhman Special Steel Ltd. These companies specialize in alloy steel products, including rounds and flats, billets, hot-rolled and cold-rolled products, cast blooms, bars, tools, and valves. They cater to a wide range of industrial applications, showcasing a diverse product portfolio similar to BLEL's alloy steel products business segment.

Peer set 2: It includes three companies, Bharat Roll Industry Pvt. Ltd., IFGL Refractories Ltd. and RHI Magnesita India Ltd. Bharat Roll, which is primarily focused on manufacturing various types of metal rolls. These rolls are essential for steel mills and other industrial processes, aligning closely with BLEL's rolls manufacturing business. RHI Magnesita and IFGL Refractories serves the same end use industries/customers like that of BLEL.

Peer set 3: It consists of four companies namely Kennametal India Ltd., Peekay Steel Castings (P) Ltd., AIA Engineering Ltd. and Steelcast Ltd which specialize in engineering castings. These companies produce high-quality castings for diverse engineering applications, making them relevant for comparison with BLEL's engineering casting business.

The inclusion of these peer sets allows for a comprehensive financial benchmarking analysis across different product verticals, helping BLEL gauge its performance in alloy steel products, metal rolls, and engineering castings.

Comparison of revenues (in Rs Mn)

Year	FY23	FY24	FY25
BLEL	4,629	4,461	5,079
Jailaxmi Casting & Alloys Pvt. Ltd.	5,847	5,586	NA
Jayaswal Neco Industries Ltd	63,429	59,336	59,997
Vardhman Special Steel Ltd.	17,350	16,614	17,644
Bharat Roll Industry Pvt. Ltd.	2,725	2,776	NA
IFGL Refractories Ltd	13,865	16,395	16,530
RHI Magnesita India Ltd	27,263	37,811	36,745
Kennametal India Ltd	10,771	10,999	NA
Peekay Steel Castings (P) Ltd.	5,936	7,526	NA
AIA Engineering Ltd	49,088	48,538	42,874
Steelcast Ltd	4,768	4,098	3,762

Source: Company financials, Crisil Intelligence

BLEL's revenue grew from Rs 4,629 million in Fiscal 2023 to Rs 45,079 million in Fiscal 2025, showing good CAGR of 5% over fiscals 2023-2025.

Compared to its industry peers, BLEL's revenue trend indicates stability despite some market fluctuations. Companies like Jayaswal Neco Industries Ltd., Jailaxmi Castings and Alloys Pvt. Ltd., Peekay Steel Castings (P) Ltd., RHI Magnesita etc. earned higher revenues than BLEL, whereas other players like Bharat Roll Industry Pvt. Ltd earned lesser revenues during all the years.

Comparison of revenues growth (in %)

Year	FY24	FY25
BLEL	-4%	14%
Jailaxmi Casting & Alloys Pvt. Ltd.	-4%	NA

Jayaswal Neco Industries Ltd	-6%	1%
Vardhman Special Steel Ltd.	-4%	6%
Bharat Roll Industry Pvt. Ltd.	2%	NA
IFGL Refractories Ltd	18%	1%
RHI Magnesita India Ltd	39%	-3%
Kennametal India Ltd	2%	NA
Peekay Steel Castings (P) Ltd.	27%	NA
AIA Engineering Ltd	-1%	-12%
Steelcast Ltd	-14%	-8%

Source: Company financials, Crisil Intelligence

BLEL saw highest growth in revenues during fiscal 2025.

Comparison of EBITDA (in Rs Mn.)

Year	FY23	FY24	FY25
BLEL	493	610	813
Jailaxmi Casting & Alloys Pvt. Ltd.	356	403	NA
Jayaswal Neco Industries Ltd	8,040	10,452	9,523
Vardhman Special Steel Ltd.	1,801	1,723	1,772
Bharat Roll Industry Pvt. Ltd.	279	365	NA
IFGL Refractories Ltd	1,661	1,731	1,460
RHI Magnesita India Ltd	3,748	5,783	5,052
Kennametal India Ltd	1,251	2,006	NA
Peekay Steel Castings (P) Ltd.	700	1,263	NA
AIA Engineering Ltd	14,752	16,167	14,808
Steelcast Ltd	1,153	1,199	1,105

Source: Company financials, Crisil Intelligence

BLEL's EBITDA has steadily and significantly improved at a CAGR 28%, increasing from Rs 493 million in fiscal 2023 to Rs 813 million in fiscal 2025. The company has managed cost efficiency better than competitors like Jailaxmi Castings and Alloys Pvt. Ltd. and Bharat Roll Industry Pvt. Ltd.

Comparison of PAT (in Rs Mn.)

Year	FY23	FY24	FY25
BLEL	288	358	530
Jailaxmi Casting & Alloys Pvt. Ltd.	265	283	NA
Jayaswal Neco Industries Ltd	2,269	2,100	1,127
Vardhman Special Steel Ltd.	1,004	916	931
Bharat Roll Industry Pvt. Ltd.	153	214	NA

IFGL Refractories Ltd	792	817	430
RHI Magnesita India Ltd	-4,657	-1,001	2,025
Kennametal India Ltd	877	1,105	NA
Peekay Steel Castings (P) Ltd.	302	658	NA
AIA Engineering Ltd	10,565	11,370	10,601
Steelcast Ltd	705	750	722

Source: Company financials, Crisil Intelligence

PAT is a key measure of profitability, and BLEL has demonstrated steady improvement, increasing at a CAGR of 36% over fiscals 2023-2025, from Rs 288 million in fiscal 2023 to Rs 530 million in fiscal 2025. Overall, BLEL has maintained stronger revenue stability and profitability.

Comparison of Cash Profit (in Rs Mn.)

Year	FY23	FY24	FY25
BLEL	464	592	800
Jailaxmi Casting & Alloys Pvt. Ltd.	300	306	NA
Jayaswal Neco Industries Ltd	2,979	5,561	3,947
Vardhman Special Steel Ltd.	1,615	1,555	1,584
Bharat Roll Industry Pvt. Ltd.	193	249	NA
IFGL Refractories Ltd	15,795	18,912	11,547
RHI Magnesita India Ltd	34,444	52,953	46,235
Kennametal India Ltd	1,612	1,994	NA
Peekay Steel Castings (P) Ltd.	488	869	NA
AIA Engineering Ltd	142,189	152,001	131,980
Steelcast Ltd	1,127	1,183	1,118

Source: Company financials, Crisil Intelligence

BLEL has demonstrated steady improvement, increasing at a CAGR of 31% over fiscals 2023-2025, from Rs 464 million in fiscal 2023 to Rs 800 million in fiscal 2025. Overall, BLEL has maintained stronger cash profits stability.

Comparison of Net worth (in Rs Mn.)

Year	FY23	FY24	FY25
BLEL	1,195	1,937	2,416
Jailaxmi Casting & Alloys Pvt. Ltd.	824	1,110	NA
Jayaswal Neco Industries Ltd	20,581	23,092	23,914
Vardhman Special Steel Ltd.	6,422	7,194	7,979
Bharat Roll Industry Pvt. Ltd.	1,371	1,585	NA
IFGL Refractories Ltd	10,050	10,721	11,070

RHI Magnesita India Ltd	28,910	38,457	39,986
Kennametal India Ltd	6,901	7,344	NA
Peekay Steel Castings (P) Ltd.	4,212	4,849	NA
AIA Engineering Ltd	56,913	66,577	69,272
Steelcast Ltd	2,234	2,793	3,374

Source: Company financials, Crisil Intelligence

BLEL has shown a robust improvement in net worth, increasing at a CAGR of 42% over fiscals 2023-2025, from Rs 1,195 million in fiscal 2023 to Rs 2,416 million in fiscal 2025.

Comparison of Net Debt (in Rs Mn.)

Year	FY23	FY24	FY25
BLEL	617	407	51
Jailaxmi Casting & Alloys Pvt. Ltd.	197	288	NA
Jayaswal Neco Industries Ltd	31,231	31,728	25,975
Vardhman Special Steel Ltd.	3,580	2,914	1,095
Bharat Roll Industry Pvt. Ltd.	(202)	(404)	NA
IFGL Refractories Ltd	1,033	1,044	1,528
RHI Magnesita India Ltd	12,669	4,366	2,830
Kennametal India Ltd	-868	-1,101	NA
Peekay Steel Castings (P) Ltd.	2,996	3,305	NA
AIA Engineering Ltd	1,951	2,807	935
Steelcast Ltd	234	1	0

Source: Company financials, Crisil Intelligence

BLEL's net debt has consistently declined from ₹617 million in fiscal 2023 to ₹51 million in fiscal 2025, highlighting its prudent financial management and focus on reducing leverage. This downward trend reflects stronger cash flow generation and disciplined working capital practices, positioning the company more favorably than several of its peers who continue to show volatile or rising debt levels.

Profitability parameters

Comparison of operating profit margin (in %)

Year	FY23	FY24	FY25
BLEL	11%	14%	16%
Peer set 1	10%	12%	13%
Peer set 2	12%	13%	11%
Peer set 3	19%	24%	32%

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL's operating profit margin improved from 11% in fiscal 2023 to 16% in fiscal 2025. Whereas the operating profits for Peer set 1 and 2 remained lower than BLEL over fiscal 2024 and 2025.

Peer set 3 (engineering castings') showcased better operating profit margins over all the years (fiscal 2023-2025).

Comparison of net profit margin (in %)

Year	FY23	FY24	FY25
BLEL	6%	8%	10%
Peer set 1	5%	5%	4%
Peer set 2	-2%	3%	6%
Peer set 3	12%	15%	22%

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL's net profit margin improved from 6% in fiscal 2023 to 10% in fiscal 2025, surpassing peer set 1 and 2's net profit margins.

Peer set 3's net profit margins remained higher over all the years (fiscal 2023-2025).

Comparison of return on capital employed (in %)

Year	FY23	FY24	FY25
BLEL	28%	22%	28%
Peer set 1	22%	20%	15%
Peer set 2	7%	12%	7%
Peer set 3	23%	23%	25%

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL maintained a healthy and stable ROCE, ~28% in fiscal 2023 and fiscal 2025, showing strong capital efficiency. In contrast, Peer Sets 1 and 2 saw consistent declines over the same period, while Peer Set 3 also dropped to 25% in fiscal 2025.

Comparison of return on equity (in %)

Year	FY23	FY24	FY25
BLEL	30%	23%	24%
Peer set 1	23%	17%	9%
Peer set 2	-2%	6%	5%
Peer set 3	20%	20%	20%

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL has outperformed most of its peers during fiscal 2023-2025 in terms of return on equity, showing superior capital efficiency.

Leverage parameters

Comparison of debt to equity ratio

Year	FY23	FY24	FY25
BLEL	53%	21%	3%
Peer set 1	80%	63%	66%
Peer set 2	30%	14%	14%
Peer set 3	15%	11%	4%

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL has maintained a consistently low debt-to-equity ratio (0.53 in fiscal 2023 to 0.03 in fiscal 2025), highlighting prudent leverage and a strong balance sheet. This is significantly below Peer Set 1 and Peer Set 2 and remains comparable to Peer Set 3, positioning BLEL as financially stable with limited debt risk.

Operational Key performing indicators

Comparison of Inventory Days

Year	FY23	FY24	FY25
BLEL	25	34	42
Peer set 1	65	75	78
Peer set 2	107	100	150
Peer set 3	81	85	73

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL's inventory days moved from 25 in fiscal 2023 to 42 in fiscal 2025. Overall, BLEL's inventory position lies between the most efficient (Peer set 1) and the relatively stretched peers (Peer set 2 and 3), indicating a balanced performance.

Comparison of Creditor Days

Year	FY23	FY24	FY25
BLEL	12	12	26
Peer set 1	36	43	32
Peer set 2	104	70	101
Peer set 3	72	88	81

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL's creditor days remained within a range of 12-26 over fiscals 2023-2025, reflecting faster payments to suppliers. This is lower than all peer sets, which operate between 32-104 days. While peers benefit from longer credit periods, BLEL's approach suggests a conservative stance, ensuring supplier stability but with lower reliance on trade credit. On balance, BLEL's position is neutral, with scope to align closer to peers for working capital flexibility.

Comparison of Debtor Days

Year	FY23	FY24	FY25
BLEL	52	67	56
Peer set 1	35	41	36
Peer set 2	79	73	74
Peer set 3	70	78	82

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

Debtor days for BLEL have remained stable at 52-67 days during fiscal 2023-2025. Compared to peers, this positions BLEL in the middle — tighter than Peer set 2 and 3 (70–82 days) but higher than Peer set 1 (35–41 days). The consistency indicates steady receivable management, without being significantly aggressive or lenient relative to the peer group.

Comparison of Cash Conversion Cycle (Number of days)

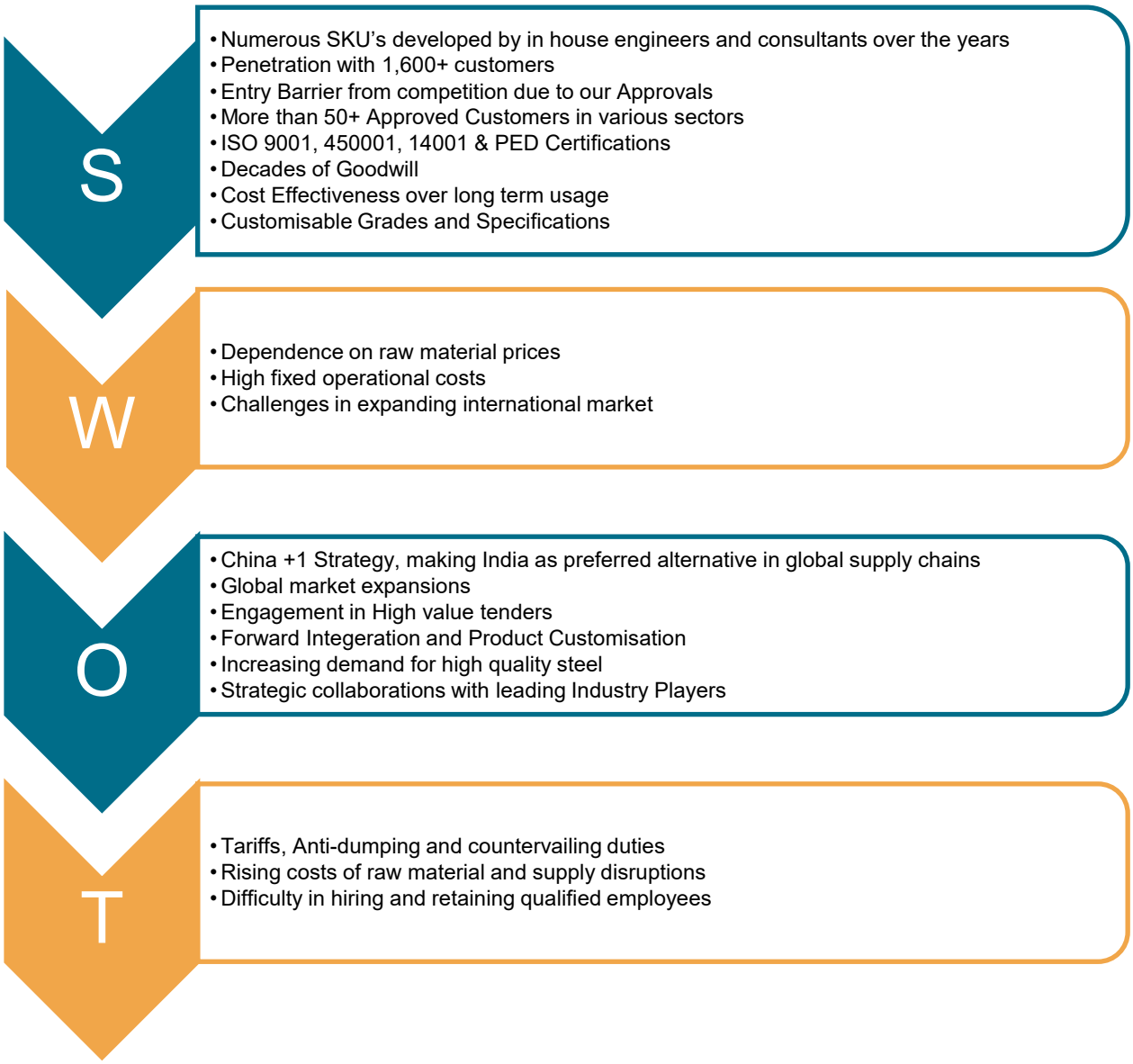
Year	FY23	FY24	FY25
BLEL	65	89	72
Peer set 1	65	73	81
Peer set 2	82	104	123
Peer set 3	79	74	74

Note: Fiscal 2025's calculation for Peer Set 1 does not include Jailaxmi Neco Industries Ltd., for Peer Set 2 does not include Bharat Roll Industry Pvt. Ltd. and for Peer Set 3 do not include Kennametal India Ltd. & Peekay Steel Castings (P) Ltd. due to unavailability of financials for fiscal 2025.

Source: Company financials, Crisil Intelligence

BLEL's cash conversion cycle increased from 65 days in fiscal 2023 to 72 days in fiscal 2024–2025. Whereas, it was lower for all the other peer sets during FY25. The movement indicates some rise in working capital lock-in, but BLEL's position remains comparable with the peer average, suggesting neither a clear advantage nor disadvantage.

SWOT analysis



Source: Behari Lal Engineering Ltd., Crisil Intelligence

Key strengths

Key strengths that collectively underscore BLEL capability to deliver high-quality products and services, supported by advanced technology and efficient operations, are as follows:

- **Strategic Location**

The company is in Mandi Gobindgarh, a hub for steel production, with excellent connectivity via National Highway 44 and State Highway 12A. The proximity to 2 dry ports (Samrala Inland Container Deposit- Bija Village, near Ludhiana and Senwal Inland Container Deposit- Ludhiana District) is around 40 km and an international airport (Chandigarh International Airport) is 60 km. Not only this, It has easy access to the Railway Freight Corridor (Amritsar-Kolkata Industrial Corridor), ensuring seamless logistics.

- **Logistics and Resource Availability**

Readily available raw materials and foundry consumables along with a strong infrastructure for road transport, facilitates smooth operations and reduced lead time.

- **Economies of Scale**

The company is among the largest producers of Metal Rolls in India, leading to cost efficiencies. More than 90% of plant capacity utilization ensures optimal use of resources.

- **Strong Legacy and Preferred Vendor Status Driving Entry Barriers**

With over decades of goodwill in the steel trading business, BLEL is approved by 50+ marquee clients. It is a preferred vendor to major OEMs, having cleared rigorous audits and testing protocols. These long-standing approvals and trusted relationships create high entry barriers, making it difficult for new players to compete.

- **Customized Solutions for Customer Needs**

The company's strategy of providing tailored solutions positions it well to meet the specific requirements of clients across different industries, strengthening customer loyalty and increasing market penetration.

- **Advanced manufacturing technology**

The company is using advanced and unique manufacturing facilities like Argon Purging Station and Vacuum Degassing Unit to enhance steel cleanliness and quality.

- **Wide Product Portfolio and Market Penetration**

The company has numerous SKUs developed in-house, catering to diverse customer needs. It has a strong penetration with 1,600+ customers across various sectors.

- **Cost and Quality Advantage**

Cost advantage due to bulk purchasing of scrap and directly procurement of raw materials from automobile industries and PSUs, eliminating middlemen and maintaining high-quality standards.

- **Consistent Demand and Order Book**

As of August 31, 2025, the company has ₹ 1,023.86 million of order book, ensuring stable demand.

- **Strong Entry Barriers Due to BLEL's Approvals and Certifications**

BLEL's exclusive approvals and certifications from reputed organizations such as the Research Designs and Standards Organization (RDSO), and Metso Corporation serve as significant competitive advantages. These endorsements not only validate BLEL's technical capabilities and product quality but also act as formidable entry barriers for new and smaller competitors.

Securing such approvals typically involves stringent qualification processes, long gestation periods, and consistent adherence to high quality and compliance standards that deter new entrants. As a result, BLEL enjoys preferential access to regulated and critical-end-use markets, reinforcing its market credibility, customer stickiness, and long-term revenue visibility.

Key weaknesses

- **Dependence on Raw Material Prices**

The company is vulnerable to fluctuations in raw material prices, which could directly impact profitability. While the company books raw materials according to order schedules, significant price increases can still strain margins.

- **High Fixed Operational Costs**

Due to high operational costs tied to machinery, labor, and plant maintenance, achieving consistent profitability may require full plant capacity utilization. Any downtime or lower-than-expected demand could result in inefficiency and reduced profitability

- **Challenges in Expanding International Market Presence**

Although the company has a diversified sales base, expanding in foreign markets can be challenging due to tariffs, anti-dumping duties, and local market competition, especially in highly competitive steel markets.

- **Skilled Labor Shortage**

Despite a family-like culture, attracting and retaining qualified employees with specialized skills can still be challenging, especially in a competitive labor market for skilled workers in the steel industry.

Key opportunities

- **China + 1 Strategy**

With India emerging as the preferred alternative to China in global supply chains, the company has an opportunity to capitalize on this shift by positioning itself as a reliable supplier to global customers.

- **Global Market Expansion**

Online marketing initiatives and participation in tenders via the GEM portal provide a significant opportunity to expand the company's reach, especially in international markets where demand for quality steel products is growing.

- **Engagement in High-Value Tenders and Strategic Customer Negotiations**

Active participation in tenders with key clients enables the company to secure large-scale projects and strengthen relationships with major industry players.

- **Prototype Development and Technological Advancement**

Collaborations like prototype development in technology offer opportunities for innovation and improvement of product offerings, ensuring the company remains competitive.

- **Forward Integration and Product Customization**

The focus on forward integration and developing made-to-order and ready-to-use products can provide added value to customers and increase profitability through higher margins.

- **New Product Development and Quality Improvement Projects**

Ongoing projects to develop prototypes and improve product quality allow the company to stay ahead of the competition, fulfill customer-specific requirements, and lower production costs.

- **Increasing Demand for High-Quality Steel**

As global demand for high-quality and specialized steel products grows, the company has the opportunity to enhance its product offerings and tap into new market segments, particularly in sectors like defence, infrastructure, and manufacturing.

Key threats

- **Rising Costs of Raw Materials and Supply Disruptions**

Significant increases in the cost of essential raw materials, energy, or transportation, along with potential supply chain disruptions, could negatively impact profitability.

- **Tariffs, Anti-Dumping, and Countervailing Duties**

The company's export products may be subject to tariffs, anti-dumping, or countervailing duty proceedings, potentially increasing costs or restricting market access.

- **Production Disruptions due to Accidents or Equipment Malfunctions**

Accidents, breakdowns, or malfunctioning equipment at production facilities could disrupt operations and negatively impact business performance.

- **Difficulty in Hiring and Retaining Qualified Employees**

Challenges in recruiting and retaining skilled workers may affect operations and overall business performance. Cultivating a family-like company culture will be necessary for the organization.

OUR BUSINESS

Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to our Company. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with 'Risk Factors', Industry Overview', 'Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 36, 179, 371 and 449, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read 'Forward-Looking Statements' on page 34 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see 'Restated Financial Statements' on page 371.

We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

*Unless otherwise indicated, industry and market data used in this section has been derived from 'Assessment of metal rolls and engineering castings industry' dated September 2025 prepared by CRISIL (**CRISIL Report**). The CRISIL Report has been exclusively commissioned for the Offer and paid for by our Company, and was prepared and released by CRISIL, who were appointed by us pursuant to an engagement letter dated December 23, 2024. The data included herein includes excerpts from the CRISIL Report which may have been re-ordered by us for the purposes of presentation. Further, the CRISIL Report was prepared on the basis of information as of specific dates and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CRISIL has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. A copy of the CRISIL Report is available at https://www.beharilalengineering.com/quality-assurance.php. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. None of our Company, Promoters, Directors, Key Managerial Personnel, members of the Senior Management and members of the Promoter Group, and the BRLMs are related to CRISIL. See 'Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation - Industry and Market Data' and 'Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.' on pages 31 and 73, respectively.*

OVERVIEW

We are an integrated iron and steel manufacturing company specializing in customized engineering solutions. According to CRISIL, we are one of India's largest metal rolls producers and a leading player in the metal rolls meeting 10.00% of the country's demand in Fiscal 2024. Our precision engineered components for critical industrial applications comprise:

- ***Metal Rolls*** – we manufacture metal rolls for rolling mills across various grades including alloy cast steel rolls, alloy steel base adamite rolls, graphitic steel rolls, S. G. Iron Pearlitic Rolls, S. G. Iron Bainitic/Accicular Rolls, alloyed indefinite chill rolls, forged rolls etc. Metal rolls are used in rolling processes to produce finished steel products such as TMT Rebar, Structural Steel etc.

- ***Engineering Castings*** – we manufacture engineering castings in special grades with per unit weight ranging from 500 kilogrammes (**Kg**) to 20 metric tonnes (**MT**) in various grades for industries like steel, iron, mining and aggregate crushers, power, sugar etc.
- ***Alloy Steel Products*** – we manufacture carbon, alloy steel, and stainless steel bars in various sections such as rounds, round corner square, flats and hex, with different sizes and widths 6 millimetre (**mm**) to 230 mm. We have also recently introduced tool steel and valve steel.
- ***Forging Ingots and Forged Shafts/ Blocks*** – Forging ingots are semi-finished steel products cast into specific shapes and sizes, primarily used as raw material for open die or closed die forging applications. These ingots are designed to withstand high compressive forces and are ideal for producing critical components requiring superior mechanical properties, structural integrity, and grain refinement. Forging ingots are available in round, square, rectangular, and custom shapes and weights ranging from 500 kg to 15 tons across various grades such as carbon steels, alloy steels, stainless steels, and special tool steels. These find application in industries such as automotive, aerospace, oil & gas, energy, and heavy engineering.

For further details of our engineered components please see *'Our Business – Our Strengths - Long standing relationships with a large number of customers spread across a wide array of end-user industries with stringent qualification processes'* on page 297.

Set out below is a break-up of our revenue from our different product verticals based on our Restated Financial Statements.

Particulars	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue (₹ million)	**% of revenue from operations**	**Revenue (₹ million)**	**% of revenue from operations**	**Revenue (₹ million)**	**% of revenue from operations**
Alloy Steel Products	2,582.09	50.84	2,277.54	51.06	2,786.16	60.19
Metal Rolls	1,247.67	24.56	1,131.91	25.37	1,031.61	22.28
Engineering Castings	901.06	17.74	796.75	17.86	649.85	14.04
Forging Ingots and Forged Shafts / Blocks	116.28	2.29	21.49	0.48	52.44	1.13
Job Work Income	132.57	2.61	128.88	2.89	52.54	1.14
Others*	99.45	1.96	104.27	2.34	56.68	1.22
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

* '*Others' includes high sea sales, traded goods and sale of by-products.*

With over 2 decades of experience in the steel industry, we have over the years honed our product development capabilities which combined with a modern and fully integrated digital steel melting shop with ladle refining furnace (**LRF**), vacuum degassing (**VD**), foundry, heat treatment, machine shops, rolling mills and a skilled workforce, enable us to provide customized components tailored to meet the specific needs of our customers. Our precision engineered products find application across diverse industries such as automobile, steel, mining, infrastructure and construction, power, aerospace and defence and cement.

The broad range of industrial applications has also enabled us to cater to a large number of domestic and international customers and we have, as of March 31, 2025, catered to 1,681 customers. Since April 1, 2022, in addition to domestic customers we have exported our precision engineered components across 5 continents and in 15 countries viz., Afghanistan, Brazil, Finland, France, Germany, Ireland, Mexico, Nepal, Nigeria, South Africa, Tanzania, Togo, Uganda, UAE, and the USA. The below map indicates our global geographical presence in terms of the countries in which we have supplied our products during the last 3 Fiscals.

(This map is only for the purpose of representation and is not to be considered an accurate geopolitical representation.)

Set out below are details of the revenue generated from our domestic and international customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations
Domestic customers	4,859.33	95.67	4,245.17	95.17	4,489.57	96.98
Overseas customers*	219.79	4.33	215.67	4.83	139.71	3.02
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

* *Including deemed exports and export benefits*

We have over the time built long term relationships with our customers and our wide customer base includes Amba Shakti Industries Limited, BMW Industries Limited, Embross Autocomp Limited, Shyam Metallics And Energy Limited, Forge Auto International Limited, Hailstone Innovations Private Limited, Jai Balaji Industries Limited, KL Rathi Steels Limited, Laxcon Steels Limited, MSP Steel & Power Limited, Maithan Steel & Power Limited, Metso India Private Limited, Orissa Metallurgical Industry Private Limited, Preet Brothers Limited, Propel Industries Private Limited, SPS Steels Rolling Mills Limited, SRMB Srijan Private Limited, Shri Bajrang Power & Ispat Limited, Shyam Steel Industries Limited, Shyam Sel & Power Limited and Vardhman Special Steels Limited.

Our top 10 customers for Fiscal 2025 have been with us for an average duration of 7 years. The durability of our customer relationships is further demonstrated by the fact that during Fiscal 2025, Fiscal 2024 and Fiscal 2023, 378 customers, 366 customers and 270 customers, respectively, were repeat customers. Further, as of August 31, 2025, we had an Order Book of ₹ 1,023.86 million. Set out below are details of our Order Book as on March 31, 2025, March 31, 2024, and March 31, 2023.

Particulars	As on		
	March 31, 2025	March 31, 2024	March 31, 2023
Order Book *(₹ million)*	930.03	855.45	704.07

Our ability to deliver high precision customised engineered components is enabled by our focus on technology and strong product development team. Our products are manufactured using technologically advanced machines such as computer numerical control (**CNC**) Lathes, Heavy Duty All Geared Lathes, Boring Machines, CNC Boring Machine, Roll Grinding Machines, Vertical Turning Lathe (**VTL**), CNC VTL, Radial Drills, Plano Milling Machines and CNC Vertical Milling Machines. As a qualified supplier of high precision engineered components to global original equipment manufacturers we undergo a rigorous selection process by our customers. Before we are selected as a supplier for OEMs and their vendors, we undergo a selection process, failing which we would not be awarded any purchase orders. These tests cover, inter alia, facility assessment by customers along with process audits by our customers. The parts produced also undergo a testing process, before any purchase orders are awarded to us. Our product offerings are subject to stringent quality standards and specifications and adhering to the exacting quality standards is a pre-requisite for us to be able to retain customers. Our long term relationship with our customers and the repeat orders received from our customers is a testament to the quality of our product offerings.

Our expertise built over the years and our design, engineering, assembly and testing capabilities helps us supply critical engineered equipment across various industries. We ensure that we adhere to the requirements of our customers and maintain high quality of our products by maintaining strong quality control systems. We operate out of our 2 manufacturing units in Mandi Gobindgarh, Punjab (**Manufacturing Facilities**) which are equipped with capabilities to design, develop and manufacture our products. We have established quality systems and processes which enable us to meet the rigorous and specific requirements of our customers within the stipulated timelines. Our facilities have received various quality and standard certifications including ISO 9001-2015 for Quality Management, ISO 14001:2015 for Environment Management, ISO 450001:2018 for Occupational Health & Safety Management certificate. We also possess a BIS licence as per ISO 14650:2023 and IS 2062:2011. Moreover, we have 'Certificate for Approval of Well known steel makers' from the Central Boilers Board for manufacture of boiler quality ingots up to 40" x 46" and up to 15 MT/piece in carbon steel, alloy steel and stainless steel. Additionally, we have been awarded a ZED Certificate which denotes Zero Defect Zero Effect. Our manufacturing processes are also subject to regular inspections conducted by our customers. Further, we are compliant with the GHG Protocol C ISO 14064-1:2018 and ISO 14064-3:2019 with respect to greenhouse emission of our Manufacturing Facilities and PED 2014/68/EU.

Our Manufacturing Facilities are equipped with sophisticated equipment and machinery that enables us to produce high quality products and meet specific product requirements of our customers. We have in-house capabilities and proficiency in engineering, design, tooling, material development coupled with a range of finishing and assembly operations focussed on continuous improvements to our manufacturing and quality processes. We undertake automation of our manufacturing processes by implementing manufacturing execution systems to increase the overall production efficiency and shorten the time to produce with enhanced quality along with reducing downtime and idle time. We conduct quality inspections and testing at various stages of the production process, ensuring that our customers receive only the highest-quality products. A team of dedicated engineers conducts inspections and testing at various stages using advanced metrological instruments, including the Proceq Equotip Hardness tester for initial hardness checks and Non-Destructive Testing (NDT) for internal flaw detection. Following these tests, rolls and engineering castings undergo final machining, after which their hardness and dimensions are verified to guarantee compliance with customer specifications and drawings, before being packaged according to customer requirements.

We are conscious of our role in society and as part of our manufacturing process and business operations we have (i) installed rooftop solar panels of around 2 MW for long term sustainable power supply for our offices and Manufacturing Facilities to reduce carbon emissions; (ii) use of 100% recycled steel scrap to reduce dependency on raw materials and supports environmental goals; (iii) direct raw material sourcing and eco-friendly processes; and (iv) 4 acres of dedicated green belt for increasing the green space across the offices.

Our founder and Chairman, Parkash Chand Garg, has spearheaded our growth. Our Vice Chairman, Rajesh Garg, along with our Managing Director, Dinesh Garg, continues to play an integral part in envisioning the business opportunities in the industry and achieving our growth potential. We are supported by a strong Board who have significant experience in their respective domain. We are also supported by a strong team of experienced and qualified key management personnel and senior management and a capable and motivated pool of employees. We also have an in-house team with design and engineering capabilities which enables us to deliver a wide range of

precision engineering components and solutions with a focus on quality and which has allowed us to diversify our business across sectors.

Further to our strategic objective of streamlining our operations and enhancing manufacturing efficiency we completed the merger of Belco Special Steels Private Limited (**BSSPL**) and Parkash Multimetals Private Limited (**PMPL**) with our Company, through a scheme of amalgamation. As a result of this consolidation, the business of BSSPL is now our Rolling Mill Division, while PMPL's operations are part of our SMS and Foundry Division and following the amalgamation, the entity is rebranded as BLEL i.e., Behari Lal Engineering Limited.

The aforementioned factors have led to our consistent financial performance. Set out in this paragraph are details of our revenue and profitability based on our Restated Financial Statements. Our revenue from operations grew at a CAGR of 4.75% between Fiscal 2023 and Fiscal 2025. Our revenue from operations Fiscal 2025, Fiscal 2024 and Fiscal 2023, was ₹ 5,079.12 million, ₹ 4,460.84 million and ₹ 4,629.28 million, respectively. Our profit after tax grew at a CAGR of 35.59% between Fiscal 2023 and Fiscal 2025. Our profit after tax for Fiscal 2025, Fiscal 2024 and Fiscal 2023 was ₹ 529.51 million, ₹ 357.91 million and ₹ 288.01 million, respectively. For further details of our revenue from operations and profit after tax, see *'Management's Discussion and Analysis of Financial Condition and Results of Operation – Our Results of Operations'* on page 470.

OUR STRENGTHS

Long standing relationships with a large number of customers spread across a wide array of end-user industries with stringent qualification processes

Over our 2 decades of operations we have offered several precision engineered components to a large number of customers. Set out in the table below are the number of customers we catered to in Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	As of and for the financial year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Total number of customers catered to up to the end of the financial period	1,681	1,544	1,388
Total number of customers catered to in the financial period	596	585	570
No. of unique customers (i.e. customers which our Company has not catered to previously)	138	157	211
No. of customers retained from the previous financial period	378	366	270
% of customers retained from the preceding financial period	63.42	62.56	47.37

Our wide product basket and customised engineered components enable us to service a broad spectrum of customers and are key to our ability in maintaining long term relationships with our customers. During Fiscal 2025, Fiscal 2024 and Fiscal 2023, 378 customers, 366 customers and 270 customers, respectively, were repeat customers *(Repeat customers are customers which have at least given 1 order in the previous financial year)*. Set out below is our revenue from operations from our repeat customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations
Revenues from repeat customers	4,372.98	86.10	3,570.50	80.04	3,647.83	78.80

The qualification process for onboarding a new supplier by global original equipment manufacturers is stringent and includes multiple steps such as identification of the supplier, assessment and audit of technical capabilities, registration, evaluation and test of the product qualifications. Securing such approvals, according to CRISIL, typically involves stringent qualification processes, long gestation periods, and consistent adherence to high quality and compliance standards that deter new entrants. As a result, we enjoy preferential access to regulated and critical-end-use markets, reinforcing market credibility, customer stickiness, and long-term revenue visibility. Accordingly, our product offerings are subject to stringent quality standards and specifications and adhering to the exacting quality standards is a pre-requisite for us to be able to retain customers. Our expertise built over the years and our design, engineering, assembly and testing capabilities helps us supply critical engineered equipment to our long standing customer base.

Our long-standing relationship with customers which forms the bedrock of our growth is further demonstrated by the fact that a number of customers have been associated with our Company for over a decade. Set out in the table below is the duration of our relationship with some of our key customers who have been associated with our Company for over 5 years each.

Sr. No.	Customer	Industry	Duration of relationship (in years)
1.	Madhav KRG Limited	Infrastructure	13
2.	Mangala Ispat Jaipur Pvt. Ltd	Infrastructure	12
3.	Shyam Metalics and Energy Limited	Infrastructure	11
4.	Kashmir Ispat	Infrastructure	11
5.	Jai Balaji Industries Ltd	Infrastructure	10
6.	MSP Steel & Power Limited	Infrastructure	10
7.	Hariom Pipe Industries Pvt. Ltd.	Infrastructure	10
8.	Shyam Steel Industries Limited	Infrastructure	10
9.	SRMB Srijan Pvt. Ltd.	Infrastructure	9
10.	Maithan Steel & Power	Infrastructure	9
11.	Vardhman Special Steels Limited	Automobiles	9
12.	Propel Industries Private Limited	Aggregate Crusher Manufacturer	9
13.	Laxcon Steels Ltd	Automobiles	9
14.	SPS Steel Rolling Mills	Infrastructure	8
15.	A to Z Steel Alloys Pvt. Ltd.	Engineering – Industrial Equipment	9
16.	BMW Industries Ltd.	Infrastructure	9
17.	Embross Autocomp Pvt. Ltd.	Automobiles	9
18.	RB Forgings Pvt. Ltd.	Automobiles	9
19.	Shri Bajrang Power & Ispat Ltd	Infrastructure	8
20.	Metso India Private Limited	Aggregate Crusher Manufacturer	8

Sr. No.	Customer	Industry	Duration of relationship (in years)
21.	JB Rolling Mills Limited	Infrastructure	6

Diversified product portfolio catering to varied application industries

Our diversified product portfolio is broadly classified into the four categories viz., Metal Rolls, Engineering Castings, Alloy Steel Products and Forging Ingots and Forged shafts/blocks and our precision engineered products find application in over 10 industries including aerospace and defence, aggregate crusher manufacturing, automobile, cement, defence, engineering, finished steel manufacturing, infrastructure, power and railways. Set out below is a break-up of our product portfolio and the end-user industry to which we cater.

Product segment	Products		End-user Industry
Metal Rolls	Alloy Cast Steel Rolls, Alloy Steel Base Adamite Rolls, Graphitic Steel Rolls, High Speed Steel (HSS) Rolls, S.G. Iron Ferritic Rolls, S.G. Iron Pearlitic Rolls, S.G. Iron Bainitic-Acicular Rolls, Alloyed Indefinite Chill Rolls, ICDP Rolls etc.	 	Finished steel manufacturers, Infrastructure, Automotive, and Engineering

Engineering Castings	Adjustment Ring, Base Plate, Bearing Block, Bearing Housing, Bed Casting, Bed Plate, Bell, Bonnet, Bottom Shell, Bowl, Bull Gear, Bush Bearing, Bushing Retainer, Caps, Carrying Roller, Chocks, Clay Barrel, Column, Counter Shaft, Cross Slide, Diaphragm Plate, Dies, End Cup, Floor Plate, Fly Wheel, Front End Frame, Full Mould, Gantry Project, Gear, Girth Gear, Head, Head Stock, Hopper, Hub, Journal Head, Journal Housing, Lower Frame, Lower Journal Bearing Retainer, Main Beam, Main Frame, Mill Cap, Mill Frame, Mill Head, Mill Housing, Mill Liner, Mill Stand, Nozzle Ring Segment, Pinion, Piston Housing, Pitman, Plates, Rake Wheel, Rear End Frame, Reducing Pipe, Reduction Gear, Retainer, Ring, Roller, Roller Shell, Rope Drum, Slag Pots, Socket, Sprocket, Spur Gear, SS Pin, Support Roller, Surface Plate, Table, Tail Stock, Toggle Beam, Top Shell, Trunnion, Trunnion Hub, Tyre, Upper Frame, etc.	 	Aggregate Crusher Manufacturing, Cement, Engineering, Infrastructure, Mining, Power, Sponge iron plant and Sugar.

Product segment	Products		End-user Industry

Product segment	Products		End-user Industry
Alloy Steel Products	Round, Square, Flat & Hex of Carbon Steel, Carbon Manganese Steel, Chromium Steel, Chromium Manganese Steel, Chromium Molybdenum Steel, Chromium Molybdenum Nickel Steel, Ball Bearing Steel, Free Cutting Steel, Spring Steel, Stainless Steel, Tool steel, High temperature steel, Vanadium steel, Micro alloyed steel, Nitriding steel.	 	Aerospace & Defence, Automobile, Bearing, Engineering, Oil & Gas, and Railways

Product segment	Products		End-user Industry
Forging Ingots and Forged Shafts / Blocks	Forges blocks, Rolls, Shafts, Rolled Rings, Rectangular Bars, discs etc.	 	Aerospace & Defence, Automobile, Engineering and Oil & Gas

We have a diverse product portfolio and we have the ability to manufacture a vast array of products with the ability to customise products in accordance with the requirement of customers. Set out below are product segments to which we cater and a break-up of our revenue from such segments during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations
Alloy Steel Products	2,582.09	50.84	2,277.54	51.06	2,786.16	60.19
Metal Rolls	1,247.67	24.56	1,131.91	25.37	1,031.61	22.28
Engineering Castings	901.06	17.74	796.75	17.86	649.85	14.04
Forging Ingots and Forged Shafts / Blocks	116.28	2.29	21.49	0.48	52.44	1.13
Job Work Income	132.57	2.61	128.88	2.89	52.54	1.14
Other	99.45	1.96	104.27	2.34	56.68	1.22
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

Our precision engineered products cater to a wide variety of industrial applications and we cater to a vast array of industries including automobile, steel, mining, infrastructure and construction, power, aerospace and defence and cement. Set out below is our revenue from operations from our key end-user industries during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Automobiles	2,475.88	48.75	2,480.73	55.61	3,034.47	65.55
Infrastructure	939.98	18.51	906.81	20.33	845.28	18.26
Aggregate Crusher Manufacturer	894.31	17.61	747.32	16.75	608.36	13.14
Engineering - Industrial Equipment	666.85	13.13	209.81	4.71	76.73	1.66
Others*	102.10	2.00	116.17	2.60	64.44	1.39
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

** 'Others' includes aerospace and defence, cement, and thermal power plants.*

Strategically located Manufacturing Facilities with advanced equipment and robust overlapping processes which enables high capacity utilisation

Our Manufacturing Facility comprises 2 manufacturing units in Mandi Gobindgarh, Punjab which are spread across 790,000 square feet (approx.) with a combined installed capacity of 119,464 MT, comprising finished steel processing capacity of 54,464 MT and rolling mill capacity of 65,000 MT. Mandi Gobindgarh, where our

Company's Manufacturing Facilities are strategically situated is one of India’s oldest steel manufacturing hubs and is renowned for its steel production capabilities. This location offers seamless connectivity through major highways, ensuring quick and efficient transportation of goods and raw materials. Furthermore, the facility's proximity to key transportation infrastructure, including dry ports and an international airport. According to CRISIL, Mandi Gobindgarh, with excellent connectivity via National Highway 44 and State Highway 12A. The proximity to 2 dry ports (Samrala Inland Container Deposit- Bija Village, near Ludhiana and Senwal Inland Container Deposit- Ludhiana District) is around 40 km and an international airport (Chandigarh International Airport) is 60 km. Further, it has easy access to the Railway Freight Corridor (Amritsar-Kolkata Industrial Corridor), ensuring seamless logistics. Further, ready availability of raw materials and consumables, with a strong infrastructure for road transport, facilitates smooth operations and reduced lead times.

Our locational advantage is furthered by our ability to source our raw material directly from domestic manufacturers and international suppliers. This direct procurement eliminates middlemen, ensuring cost-efficiency and quality control. Thus, the strategic location of our Manufacturing Facilities in a steel hub, and easy access to raw materials and robust infrastructure, strengthen our competitive edge, ensuring timely and efficient delivery of high-quality products.

Our Manufacturing Facilities are equipped with advanced capabilities to design, develop and manufacture our product portfolio. Our Manufacturing Facilities are equipped with sophisticated equipment and machinery that enables us to produce high quality products and meet specific product requirements of our customers. We have sought to automate many of our manufacturing processes by implementing manufacturing execution systems to increase the overall production efficiency and shorten production while ensuring the integrity and quality of our products. The automation of processes has also helped in reducing downtime and idle time which boosts production efficiency. Our production processes have in-built quality inspections and testing at various stages, ensuring that our customers receive only the highest-quality products adhering to their specifications and requirements. We have a dedicated physical testing, chemical testing and sand laboratory comprising equipment such as universal testing machines, inverted metallurgical microscope with image analyser, surface flaw detector, ultrasonic testing machines, spectrometers, elemental analysers, and clay testing machines. A team of dedicated engineers conducts inspections and testing at various stages using advanced metrological instruments, including the Proceq Equotip Hardness tester for initial hardness checks and Non-Destructive Testing (NDT) for internal flaw detection. Following these tests, rolls and engineering castings undergo final machining, after which their hardness and dimensions are verified to guarantee compliance with customer specifications and drawings, before being packaged according to customer requirements.

According to CRISIL, many of our competitors focus on a single product i.e. rounds, engineering casting or metal rolls. Our Company’s experience in the steel industry helped us in understanding the value of, and the merit in, setting up a manufacturing facility which is capable of catering to multiple overlapping processes. Our Manufacturing Facilities are geared to cater to our diverse product mix i.e. we can manufacture alloy steel products, engineering casting and metal rolls. Additionally, our operations can also cater to the manufacturing of forging ingots and forged shafts / blocks.

This orientation towards a distinctive product mix is due to manufacturing and machining processes that are overlapping and fungible enabling optimum utilisation of our resources and higher delivery efficiency. As a consequence of the fungibility of our SMS and Foundry Division processes, our available (i.e. our installed) capacity could vary depending on the nature of the product that we focus on manufacturing during any particular period. The benefit of our overlapping processes is demonstrated by our high capacity utilisation. Set out below are the details of our actual production and capacity utilization during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Capacity details	SMS and Foundry Division	Rolling Mill Division	Total
As of and for the period ended 2025	Installed capacity (in MT)	54,464	65,000	**119,464**
	Actual production (in MT)	50,526	57,353	**107,879**

Particulars	Capacity details	SMS and Foundry Division	Rolling Mill Division	Total
	Capacity utilisation (%)	92.77	88.24	**90.30**
As of and for the period ended 2024	Installed capacity (in MT)	35,589	65,000	**100,589**
	Actual production (in MT)	30,418	55,559	**85,977**
	Capacity utilisation (%)	85.47	85.48	**85.47**
As of and for the period ended 2023	Installed capacity (in MT)	36,129	65,000	**101,129**
	Actual production (in MT)	33,141	43,461	**76,602**
	Capacity utilisation (%)	91.73	66.86	**75.75**

Our consistent focus on technology and our strong product development team has been key aspects of our ability to diversify our product portfolio.

We have in place quality systems and processes which we believe, enable us to meet the rigorous and specific requirements of our customers within the stipulated timelines. Our facilities have received various quality and standard certifications including ISO 9001-2015 for Quality Management, ISO 14001:2015 for Environment Management, ISO 450001:2018 for Occupational Health & Safety Management certificate and are subject to regular customer audits. We also possess a BIS license as per ISO 14650:2023 and IS 2062:2011. Moreover, we have 'Certificate for Approval of Well known steel maker' from the Central Boilers Board for manufacture of boiler quality ingots up to 40" x 46" and up to 15 MT/piece in carbon steel, alloy steel and stainless steel. Additionally, we have been awarded a ZED Certificate which denotes Zero Defect Zero Effect. Additionally, in line with our focus on environmentally sustainable manufacturing practices our Manufacturing Facilities have obtained GHG Protocol C ISO 14064-1:2018 and ISO 14064-3:2019certification with respect to green-house emission and we have obtained the PED 2014/68/EU.

Robust presence in the steel manufacturing industry leveraging on the legacy and experience of our Promoters and strong domain expertise of our management team

Our Company commenced its journey in the steel industry in 1995 as a steel trader and, subsequently, established itself as a steel manufacturer. Our experience of over 2 decades in the steel industry has helped us develop robust manufacturing processes which regularly withstand the inspections conducted by, and the scrutiny, of our discerning customers. Our Company was founded by one of our Promoters, Parkash Chand Garg (also our chairman), who has nurtured our business and has spearheaded our growth. He has been a director of our Company for 30 years. Further, Rajesh Garg (Vice Chairman) and Dinesh Garg (Managing Director), and our Promoters, have experience of 28 years and 30 years, respectively, as directors in our Company. Lovlish Garg, wholetime director, has been on our Board of Directors since 2016 and has experience of over 13 years. As a third generation entrepreneur he has completed a post graduate programme conducted by S.P. Jain Institute of Management & Research in family managed business. Our rich legacy and experience in the Indian steel industry have enabled us to cater to various prominent customers including some of India's most prominent steel manufacturers. Our experience in the industry has also enabled us to adapt our processes to the evolving customer requirements and has enabled us to clear rigorous audits and testing protocols of customers. According to CRISIL, these long-standing approvals and trusted relationships create high entry barriers, making it difficult for new players to compete. For details, see '*Our Management - Brief Profile of our Directors'* on page 343. We are also backed by an experienced senior level of management team whose varied background guides and provides direction to our

business operations. Our senior management team comprises Bhuvnesh Garg (CEO), Aakarsh Goyal (CFO), Sanjeev Sehgal (CO), Kanav Garg (COO), Raman Kumar (General Manager – Administration), Rajesh Maheshwari (Vice President – Sales & Marketing), Sumit Kumar Mondal (General Manager – Production & Maintenance), Binod Kumar Singh (Deputy General Manager – Casting Quality), Amlanjyoti Raychaudhuri (Deputy General Manager – Machine Shop) and Sandeep Singh (Assistant General Manager – Maintenance). For details, see '*Our Management - Brief Profiles of the KMP*' and '*Our Management - Brief Profiles of our Senior Management'* on pages 359 and 360, respectively.

Our Promoters and management team are ably supported by skilled and experienced employees. As on August 31, 2025, we had a workforce of 774 trained employees.

Track record of financial performance and consistent growth

We have demonstrated consistent growth in our financial performance commensurate with the increase in our customer base. Some of the key performance indicators set out below demonstrate our consistent financial and operational performance, based on our Restated Financial Statements.

Particulars	Units	As of and for the financial year ended March 31, 2025	As of and for the financial year ended March 31, 2024	As of and for the financial year ended March 31, 2023
Financial Parameters				
Revenue from operations	(₹ in million)	5,079.12	4,460.84	4,629.28
EBITDA	(₹ in million)	813.12	609.86	493.44
EBITDA Margin	%	16.01	13.67	10.66
PAT	(₹ in million)	529.51	357.91	288.01
PAT Margin	%	10.43	8.02	6.22
Cash Profit	(₹ in million)	799.66	591.79	463.91
Net worth	(₹ in million)	2,416.16	1,936.59	1,194.92
Net Debt	(₹ in million)	51.18	407.43	616.99
Debt Equity Ratio	In times	0.03	0.21	0.53
ROCE (%)	%	28.24	21.98	22.60
ROE (%)	%	24.31	22.83	29.63
Operational Parameters				
Inventory Days	In days	42	34	25
Debtor days	In days	56	67	52
Creditor days	In days	26	12	12
Cash Conversion Cycle	In days	72	89	65
Fixed Asset Turnover ratio	In times	6.79	7.02	8.36
Sales volume	MT	89,103.48	82,042.18	69,084.00
Sales Volume Growth	%	8.61	18.76	51.84
EBITDA per ton	(₹)	9,125.51	7,433.60	7,142.67
Debt/ EBITDA	X times	0.09	0.68	1.29
Asset Turnover/ Gross Block	X times	5.30	5.93	7.82

Explanation of key performance indicators listed above

KPI	Explanation
Financial KPIs	
Revenue from operations	Management and stakeholders closely monitor revenue from operations as it represents the core sales generated by the company's primary business activities. An increasing trend indicates business growth and market acceptance of products/services, while a decline could signal market challenges or operational issues. This KPI is fundamental for assessing the company's top-line performance and overall market position.
EBITDA	Management uses EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) to understand the operational profitability of the business, excluding the impact of financing, accounting, and tax decisions. Stakeholders view EBITDA as a good proxy for cash flow generated from core operations, helping them compare the performance of companies with different capital structures or depreciation policies. It provides a clearer picture of a company's operating efficiency.
EBITDA Margin (%)	This ratio, calculated as EBITDA divided by revenue, is crucial for assessing the company's operational efficiency and cost control. Management aims to improve or maintain a healthy EBITDA margin to demonstrate effective management of operating expenses relative to sales. Stakeholders use it to compare a company's profitability against its peers or industry benchmarks, indicating its ability to convert revenue into operational profit.
PAT	Profit After Tax (PAT), also known as net income, is the ultimate measure of a company's profitability available to shareholders. Management focuses on PAT to ensure the business is generating sufficient profits after all expenses, including taxes. Stakeholders consider PAT as a key indicator of financial health and the company's ability to retain earnings or distribute dividends. Consistent growth in PAT reflects strong financial performance.
PAT Margin (%)	PAT Margin, or Net Profit Margin, reveals how much profit a company makes for every rupee of revenue after all expenses, including taxes, are accounted for. Management strives to optimize this margin through efficient operations and cost management. Stakeholders use it to evaluate a company's overall efficiency and its ability to turn sales into bottom-line profit, making it a critical measure for long-term investment decisions.
Cash Profit	Cash Profit, often referring to profit before non-cash expenses like depreciation and amortization, provides a truer picture of the cash-generating ability of the business from its operations. Management uses this to assess the company's ability to fund its working capital needs and capital expenditures without relying excessively on external financing. Stakeholders consider it vital for understanding the sustainability of a company's operations and its capacity for future growth.
Net worth	Net worth, or shareholder's equity, represents the total assets of a company minus its total liabilities. Management views net worth as a measure of the company's intrinsic value and its financial strength, indicating the cumulative earnings retained by the business. Stakeholders, particularly investors, see net worth as the book value of the company and a key indicator of its long-term financial stability and capacity to absorb losses.
Net Debt	Net Debt is calculated as total debt minus cash and cash equivalents. Management closely monitors net debt to assess the company's overall financial leverage and its ability to service its debt obligations. Stakeholders use this KPI to evaluate the company's financial risk profile; a high net debt could indicate excessive reliance on borrowing and potential difficulties in meeting financial commitments, especially during economic downturns.
Debt Equity Ratio	This ratio compares a company's total debt to its shareholder's equity. Management uses it to maintain an optimal capital structure that balances financial risk and the cost of capital. Stakeholders, including creditors and investors, assess this ratio to understand the extent to which the company's operations are financed by debt versus equity, with a higher ratio generally indicating higher financial risk.
ROCE (%)	Return on Capital Employed (ROCE) measures how efficiently a company is using its capital (both debt and equity) to generate profits. Management uses ROCE to evaluate the effectiveness of its investment decisions and resource allocation. Stakeholders see ROCE as a critical indicator of operational efficiency and a company's ability to generate returns from the total capital invested in its business.
ROE (%)	Return on Equity (ROE) measures the profitability of a company in relation to the equity invested by its shareholders. Management aims for a high ROE to demonstrate efficient use of shareholder funds in generating profits. Stakeholders, especially equity investors, consider ROE as a primary indicator of how well the company is generating returns on their investment, influencing their decision to buy, hold, or sell shares.
Operational KPIs	
Inventory Days	Inventory Days indicates the average number of days a company holds its inventory before selling it. Management strives to optimize inventory days to minimize carrying costs and avoid obsolescence. Stakeholders look at this KPI to assess inventory management efficiency; a high number might suggest slow-moving inventory or overstocking, while a very low number could risk stockouts.

KPI	Explanation
Debtor days	Debtor Days represents the average number of days it takes for a company to collect payments from its customers after a sale. Management focuses on reducing debtor days to improve cash flow and working capital management. Stakeholders view this KPI as an indicator of the effectiveness of credit control and collection policies; high debtor days can tie up capital and indicate potential credit risks.
Creditor days	Creditor Days measures the average number of days a company takes to pay its suppliers. Management strategically manages creditor days to optimize cash flow, balancing timely payments with leveraging supplier credit. Stakeholders analyze this KPI to understand a company's payment practices and its ability to manage its short-term liabilities, a longer period potentially indicating better cash flow management or, conversely, financial strain.
Cash Conversion Cycle (No of days)	The Cash Conversion Cycle (CCC) measures the time it takes for a company to convert its investments in inventory and accounts receivable into cash, after accounting for the time it takes to pay accounts payable. Management aims to shorten the CCC to improve liquidity and free up cash for other uses. Stakeholders see a shorter CCC as a sign of efficient working capital management and strong operational performance.
Fixed Asset Turnover ratio	This ratio measures how efficiently a company is using its fixed assets (like property, plant, and equipment) to generate sales. Management uses it to assess the productivity of its long-term investments. Stakeholders look at this KPI to understand if the company is effectively utilizing its assets to produce revenue, with a higher ratio generally indicating better asset utilization.
Sales Volumes (KTPA/MTPA)	Sales Volumes, typically measured in Metric Tonnes Per Annum (MTPA) by the management, directly reflects the quantity of goods sold. Management tracks this to understand production and sales capacities, market demand, and to plan future operations. Stakeholders use this physical measure to gauge the company's scale of operations and market penetration, offering a tangible sense of growth beyond just revenue figures.
Volume Growth (%)	Volume Growth indicates the percentage increase or decrease in the quantity of goods sold over a period. Management analyzes this to understand the true underlying growth of the business, independent of price fluctuations. Stakeholders use volume growth as a clear indicator of market acceptance, expansion, and the sustainability of the company's competitive position, often preferring it over mere revenue growth in certain contexts.
EBITDA per ton	EBITDA per ton measures the operational profitability generated for each unit of product sold (e.g., per ton of steel or cement). Management uses this highly specific metric to assess the efficiency of its production processes and cost management on a per-unit basis, which is particularly relevant in commodity-intensive industries. Stakeholders find this useful for direct comparisons between companies in the same industry, highlighting operational efficiency at the granular level.
Debt/ EBITDA	This ratio compares a company's total debt to its EBITDA. Management uses it as a key indicator of the company's ability to service its debt from its operating earnings, often a critical metric in loan covenants. Stakeholders, especially lenders and investors, closely monitor this ratio to assess the company's financial leverage and its capacity to repay its debt obligations, with a lower ratio generally indicating lower financial risk.
Asset Turnover on Gross Block	This KPI, often interpreted as Fixed Asset Turnover divided by Gross Block (total cost of fixed assets before depreciation), indicates how effectively a company is utilizing its total capital assets to generate revenue. Management uses it to ensure that its investments in assets are yielding proportional sales. Stakeholders evaluate this to understand the productivity of the company's asset base and its efficiency in generating sales from its total fixed capital employed.

STRATEGIES

Augmenting increasing our installed capacity in line with our expected business growth

As part of our strategic growth plan, we aim to expand our production capacity to meet the increasing demand for our products. By doing so, we will be able to take advantage of economies of scale, broaden our geographic reach, and provide our customers with unique and value-added products and services. We are confident that our industry has significant growth potential, and we are well-positioned to capitalize on the opportunities that the market presents. To drive innovation and stay ahead of the competition, we will continue to leverage our design capabilities and manufacturing expertise to develop cutting-edge products. This will not only help us reduce production costs but also enable us to expand our customer base and establish a stronger presence in new markets. Our ongoing research and development projects focus on creating prototypes and enhancing product quality, allowing us to meet specific customer requirements, minimize production costs, and maintain our competitive edge. We also intend to utilize an estimated amount of ₹ 225.40 million from the Net Proceeds towards the upgradation of process, equipment and machinery. For further details, see '*Objects of the Offer'* on page 133.

As the global demand for high-quality, specialized steel products continues to grow, we see opportunities to expand our product offerings and tap into new markets, particularly in the defence, infrastructure, and

manufacturing sectors. By doing so, we aim to solidify our position as a leading manufacturer of steel products and drive long-term growth and success.

We intend to augment our manufacturing capabilities and capacities in line with our anticipated business growth. We have recently purchased 6.47 acres of land in Village Salani, Amloh road Mandi Gobindgarh, Punjab and we consistently explore options to expand our foundry operations and roll making capacity, and related machine shops.

We are also in the process of establishing additional capacity to our existing Manufacturing Facilities in Mandi Gobindgarh, Punjab in particular for engineering castings, metal rolls and ingots. The project envisages upgradation of the Casting Shop, Moulding Shop and Machine Shop by equipping them with advanced CNC and VTL machines, adding more Heat Treatment Furnaces etc. We also intend to utilize an estimated amount of ₹ 178.54 million from the Net Proceeds towards the upgradation of rolls and castings machine shops. For further details, see '*Objects of the Offer'* on page 133.

Our manufacturing operations require constant power supply and cost of power is a key expense item. Set out in the table below are expense for power in during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses
Cost of power	326.98	7.32	236.82	5.92	211.76	4.93

With the increase in our installed capacity and expected growth we expect that our power requirements will increase. Therefore, we are proposing to set up roof-top solar panels of approximately 3MW and installation of a captive solar power plant of approximately 10 MW. We propose to utilize an amount of ₹ 78.00 million from the Net Proceeds towards the said solar roof panels. For further details, see '*Objects of the Offer* on page 133. We anticipate that the solar panels along with the solar plant should enable us to rationalise our power cost, ensure constant power supply at lower cost and further our commitment to sustainable, environmentally conscious manufacturing processes.

Optimising our product portfolio to cater more to higher value products and value added products

We, currently, have a broad product portfolio comprising of alloy steel products, metal rolls, engineering casting and forging ingots and forged shafts/blocks. Amongst these product segments, engineering casting and metal rolls and alloy steel grades such as valve steel, die steel and tool steel, are high value and enable us to generate higher revenue. Set out below is a break-up of our revenue from operations from higher value products and other products during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
High value products*	2,308.47	45.45	1,991.6	44.65	1,717.08	37.09
Others	2,770.65	54.55	2,469.24	55.35	2,912.20	62.91
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

***** *High value products comprise engineering casting and metal rolls and alloy steel grades such as valve steel, die steel and tool steel.*

As can be seen from the table above, our revenue from high value products has been consistently increasing both in absolute numbers and percentage terms. We have, consciously, been focussing our efforts on augmenting our revenue from high value products.

According to CRISIL, between Fiscal 2020 and Fiscal 2024, alloy long steel consumption grew at a compound annual growth rate (**CAGR**) of 11.6%, rising from 3.0 million tonnes in Fiscal 2020 to 4.6 million tonnes in Fiscal 2024. Alloy flat steel consumption exhibited even stronger growth, with a CAGR of 22.6%, increasing from 1.0 million tonnes in Fiscal 2020 to 2.3 million tonnes in Fiscal 2024. According to CRISIL, this growth reflects the increasing preference for high-performance materials that offer superior strength, durability, and corrosion resistance. Looking forward to Fiscal 2030, according to CRISIL, India's alloy steel market is poised for significant growth, with alloy long steel consumption projected to increase at a CAGR of 5-7% and alloy flat steel expected to grow at a higher CAGR of 8.5-10.5%. This anticipated expansion is driven by a combination of factors, including India's robust infrastructure development, rising vehicle production, and the adoption of advanced manufacturing technologies. Further, as India focuses on sustainable development and reducing its environmental footprint, the demand for alloy steel is expected to rise, driven by the need for materials that can support sustainable construction practices. The use of alloy steel in sustainable construction can help reduce waste, conserve resources, and minimize the environmental impact of building and infrastructure projects.

We also propose to upgrade our melting and machining capacity to improve our product mix by manufacturing more of high value rolls and castings which we expect will enable us to broaden our customer base within and outside India. We expect that optimising our product mix by focussing on garnering orders for high value products such as metal rolls, engineering casting, tool steel and die steel, will improve our operational profit margin and, our Company's profitability.

We are planning to install a hydraulic open die forging press of 2000T and two hydraulic open die forging hammers having capacity of 1MT and 3-5 MT each with manipulators of 15 MT, 2-5 MT and 5-10 MT, respectively, for manufacturing of forged rolls and high value alloy steel forged products. This new high-quality technology will help in establishing our forged products installed capacity of 15,000 MT annually and increase our quality significantly which would help us add better value-added grades to our alloy steel products portfolio. Further, this will ensure that we will not need to outsource our forging process which ought to help in reducing cost. We also intend to utilize an estimated amount of ₹ 277.75 million from the Net Proceeds towards forging press equipment and machinery. For further details, see '*Objects of the Offer'* on page 133.

Broaden our end-user industries base and export market by capitalizing on growth in the metal rolls and engineering casting industry

We cater to a wide array of end-user industries such as automobile, steel, mining, infrastructure and construction, power, aerospace and defence and cement in India. Set out below is our revenue from operations from our end-user industries during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Aggregate Crusher Manufacturer	894.31	17.61	747.32	16.75	608.36	13.14
Automobiles	2,475.88	48.75	2,480.73	55.61	3,034.47	65.55
Engineering - Industrial Equipment	666.85	13.13	209.81	4.71	76.73	1.66
Infrastructure	939.98	18.51	906.81	20.33	845.28	18.26
Others*	102.10	2.00	116.17	2.60	64.44	1.39
Grand Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

**Includes aerospace & defence, cement and thermal power plants.*

We intend to target customers in new end-use industries such as automobile OEM, plastic moulding, oil and gas, chemical processing, and forging industry by offering new products by leveraging our product developing capabilities. In particular, we expect to capitalise on the China+1 strategy for which the Government of India has

announced various measures which according to CRISIL will benefit many sectors in India, and is also expected to increase demand for steel and, in particular, stainless steel. For example, with automobile companies looking to reduce the weight of their vehicles by substituting conventional steel with other types of materials such as stainless steel, the demand for stainless steel is expected to increase, benefiting the domestic stainless steel manufacturing industry. Further, in calendar year 2017, the government introduced the National Steel Policy which aims to increase steel production in India to 300 million tonnes by 2030-2031 from approximately . Additionally, according to CRISIL, under the 'Market Access Initiative' an export promotion scheme of the Indian Government, a yearly budget of approximately ₹ 2 billion is earmarked per year, which is expected to increase in the coming years. Further, multiple countries want to reduce the dependence on steel from China. The Indian steel industry can cater to their requirements.

With the experience gained over the years, and with the proposed enhancement of our manufacturing capacities, we propose to bid for and higher value tenders issued by select customers including some of India's largest steel manufacturers and certain large public sector undertakings including entities in the defence sector. We expect that with our precision engineering capabilities that has enabled us to develop and deploy reverse engineered solutions, we would be in a position to bid for such projects at competitive rates while ensuring that we deliver the products adhering to the customers' requirements of quality and customisation.

Since April 1, 2022, in addition to domestic customers we have exported our precision engineered components across 5 continents and in 15 countries viz., Afghanistan, Brazil, Finland, France, Germany, Ireland, Mexico, Nepal, Nigeria, South Africa, Tanzania, Togo, Uganda, UAE, and the USA. Set out below is our revenue from operations from exports during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Exports*	219.79	4.33	215.67	4.83	139.71	3.02

** including deemed exports and export benefits*

According to CRISIL, India's position as the second-largest producer of steel after China makes it an attractive alternative source for companies looking to diversify their supply chains. India's growing infrastructure and steel production capabilities make it a potential beneficiary of shifting global supply chains and an increasingly attractive destination for businesses. We intend to capitalise on the expected growth in opportunities in the export markets where according to CRISIL Indian manufacturing is likely to benefit from multinational companies' decision to move their manufacturing bases out of China and the manufacturing of steel and related products in India is expected to benefit from the strategy, primarily because of supporting supply side and demand side business environment and government policy.

Increasing our wallet share with our customers by introducing new products and grades

We are proposing to manufacture new and higher grades of rolls and casting such as indefinite chilled double pour' (**ICDP**) rolls and high speed steel (**HSS**) rolls. HSS rolls have a good thermal stability, high wear resistance and hardenability which makes high-speed steel more suitable for roll manufacturing materials. Further, HSS rolls have good wear resistance. These rolls have a high 'pass-life' i.e. the number of times a material can be passed through these rolls which reflects higher durability. According to CRISIL, ICDP rolls are manufactured in very little quantities and HSS rolls are currently not being manufactured in India.

Additionally, we propose to manufacture 'High Temperature/Creep Resistant Grade Steels' for high temperature service which are suitable for applications that require exposures to higher temperatures of upto 650° Celsius. These grades of steels are alloyed with other metals which exhibit high resistance to high-temperature corrosion such as chromium, molybdenum, tungsten, niobium etc.

We propose to manufacture these higher and new grades of steel which could be used in the injection moulding, defence and aerospace and cutting industry, which are more expensive than other grades of rolls which we expect will enable us to generate higher revenues and also improve our operating margins and, consequently, our profitability.

MANUFACTURING OPERATIONS

Manufacturing Facilities

We operate through two integrated manufacturing divisions:

- Steel Melting Shop (**SMS**) and Foundry Division; and
- Rolling Mill Division.

These divisions are designed to provide a wide range of alloy steel solutions to a variety of end-user industries.

Manufacturing Facility 1

Manufacturing Facility 2

The SMS and Foundry Division is equipped with modern infrastructure to ensure high-quality steel production and precision casting. The melting shop comprises 12 MT fully digital medium frequency induction furnaces with twin-shell configuration, allowing continuous melting cycles with high energy efficiency. The molten steel from the furnaces is further refined using advanced secondary metallurgy tools such as ladle refining furnace and vacuum degassing (i.e. the process by which gases primarily hydrogen and oxygen are removed from the steel), which enhances the purity and consistency of the steel by removing gases and impurities and enabling precise alloying.

In the foundry section, we have an integrated engineering and pattern development unit, supported by continuous sand mixers for moulding operations. The fettling process is mechanized through an automatic shakeout machine, while sand management is optimized using a reclamation plant that enables recycling and efficient resource utilization. Finishing processes include shot blasting and automatic paint booths, ensuring both functional and aesthetic readiness of cast components.

Machinery and equipment

SMS and Foundry Division

The machine shops, spread over a covered area of more than 100,000 square feet, are equipped with a broad range of equipment and machinery including computer numerically controlled (**CNC**) machines. These include geared and CNC lathes, table and floor type boring machines, CNC boring machines, roll grinding machines, vertical turning lathes (VTL), CNC VTLs, radial drills, plano milling machines, and CNC vertical milling machines. These enable us to ensure dimensional precision and surface finish, particularly for critical components such as modern mill rolls and precision-engineered castings. The division is also supported by six natural gas-fired furnaces, fully integrated with PLC systems for controlled and consistent thermal processing.

Rolling Mills Division

The rolling mills division is equipped with 22” Reversing Mill, 16” Intermediate & Finishing Mill, and 12.5” Continuous Mill, Fully Automatic Natural Gas-Fired Reheating Furnace, 300 mBar High-Pressure Water Descaler System, Hydraulic Hot Saw and Shears. Additionally, we also have a Hybrid Cooling System comprising a slow cooling vermiculite pit and automatic cooling bed, and straightening machines for bars ranging from 8 mm to 125 mm in diameter. This division is also supported by 3 natural gas-fired furnaces, fully integrated with PLC systems for controlled and consistent thermal processing with capability of polymer quenching i.e. a process through which hot iron is immersed in a special liquid polymer to rapidly cool it to enhance its metallurgical properties.

Raw materials and consumables

Our primary raw materials and consumables are scrap steel, ferro alloy i.e. iron combined with other metals and ingots. The other raw materials and consumables used in our manufacturing process include billets, sand and oil.

Set out below are our expenses towards cost of materials consumed during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	% of total expenses	Amount (₹ million)	% of total expenses	Amount (₹ million)	% of total expenses
Cost of materials consumed*	2,716.46	60.78	2,745.21	68.62	3,236.52	75.40

* *Includes cost of raw materials consumed from imports.*

Suppliers

We source our scrap and ferro alloys from both domestic and international suppliers, primarily sourcing directly from industrial manufacturers. This direct procurement eliminates middlemen, ensuring cost-efficiency and quality control. For details of our top 10 suppliers, see *'Management's Discussion and Analysis of Financial Condition and Results of Operation - Significant dependence on a single or few suppliers or Customers'* on page 479.

Manufacturing process

SMS and Foundry Division

Set out below is a process flow chart outlining the manufacturing process of SMS and Foundry division.

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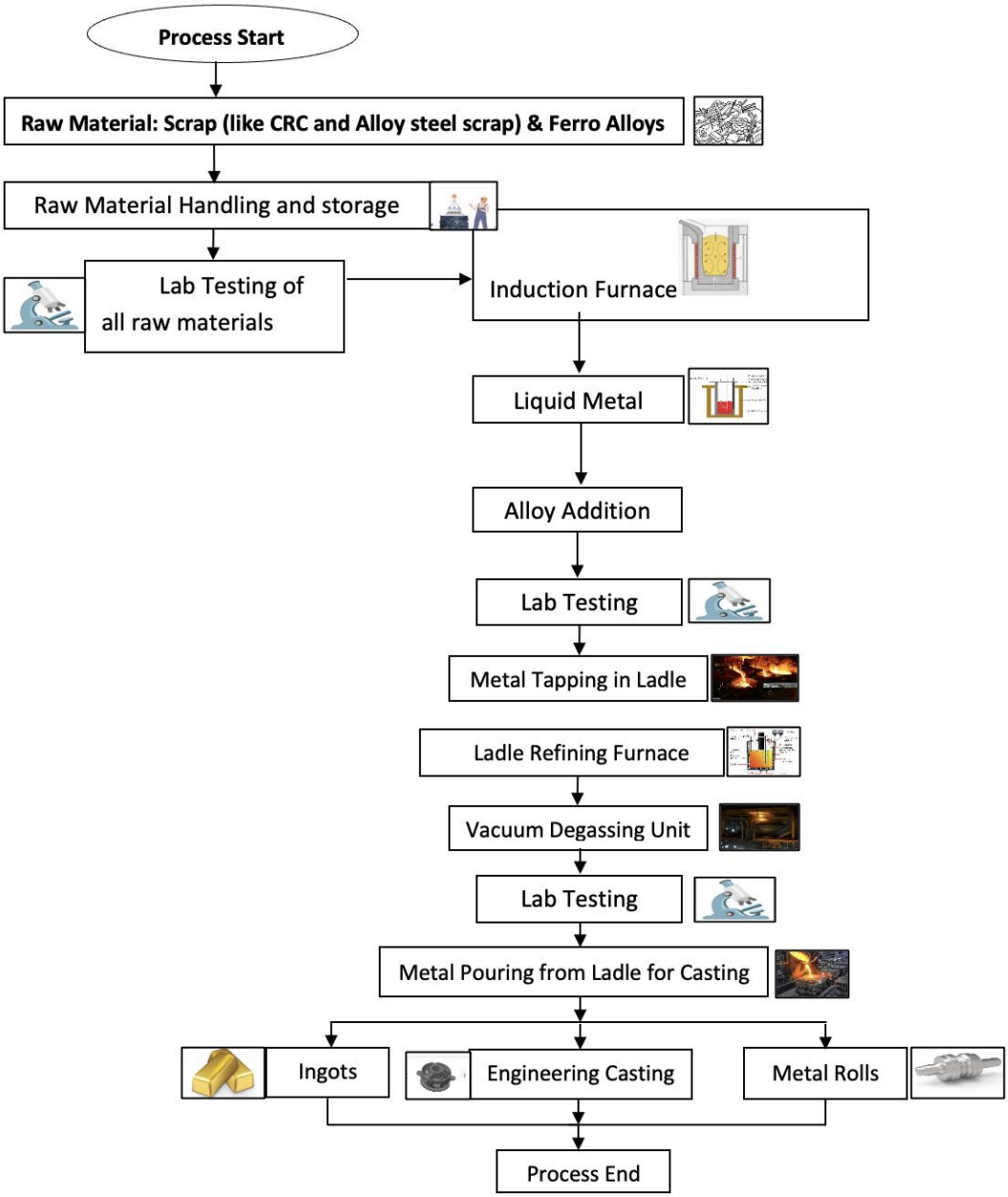
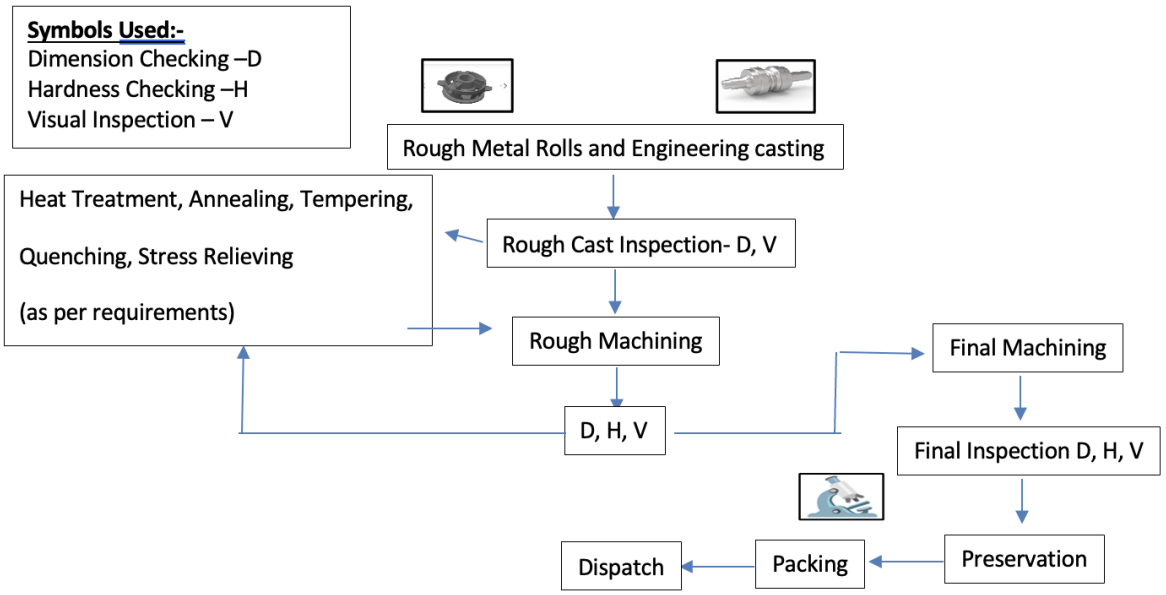


The manufacturing process begins with scrap processing. The scrap is sorted and bundled based on grade and properties, allowing for direct use in melting without requiring additional expensive virgin elements.

Melting is carried out in induction furnaces where high-frequency alternating current generates strong magnetic fields, inducing eddy currents in the charge material. This results in rapid and uniform heating and melting of the scrap and ferro alloys. During this phase, temperatures are carefully monitored, and alloying and deoxidizing agents are added to refine the steel composition. The molten metal then undergoes vacuum degassing and ladle refining to further enhance its chemical integrity and physical properties, ensuring the steel is suitable for demanding applications.

Once refined, the molten steel is poured into ladles and transferred to casting bays, where it is poured into precision-engineered moulds tailored to customer specifications. These moulds, which have been developed in-house by our engineering team, enable the production of a wide variety of products including ingots, billets, rough rolls, and complex castings. This casting process is crucial in shaping the metal into its initial form before further processing. After casting, the steel undergoes a series of heat treatment processes aimed at improving material characteristics such as hardness, ductility, toughness, and wear resistance. We employ multiple techniques such as annealing, quenching, spheroidizing, normalising, hardening, tempering and stress relieving. These processes are meticulously controlled to ensure the desired mechanical and metallurgical properties are achieved in each

product batch. For instance, annealing improves ductility by softening the steel, while hardening followed by tempering ensures the right balance between strength and toughness. Spheroidizing increases the ductility and machinability of high-carbon material while quenching is used for rapid cooling to "lock in" the hard microstructure, and tempering reduces brittleness and internal stresses from hardening and also improves toughness.



Machining is the final stage in the SMS and Foundry Division. Using advanced machining technologies, steel products are brought to their final shapes and dimensions. This includes turning, boring, milling, and grinding to achieve precise tolerances and superior surface finishes. We focus on delivering fully finished, ready-to-use components and, therefore, most of our castings and rolls are supplied in the final machined condition. Before dispatch, each product undergoes a comprehensive quality assurance check. Ingots and billets, once approved, are transferred to the Rolling Mill Division for further downstream processing.

Rolling Mill Division - Hot Rolling Mill for Alloy Steel

Set out below is a process flow chart outlining the manufacturing process of the rolling mill division.

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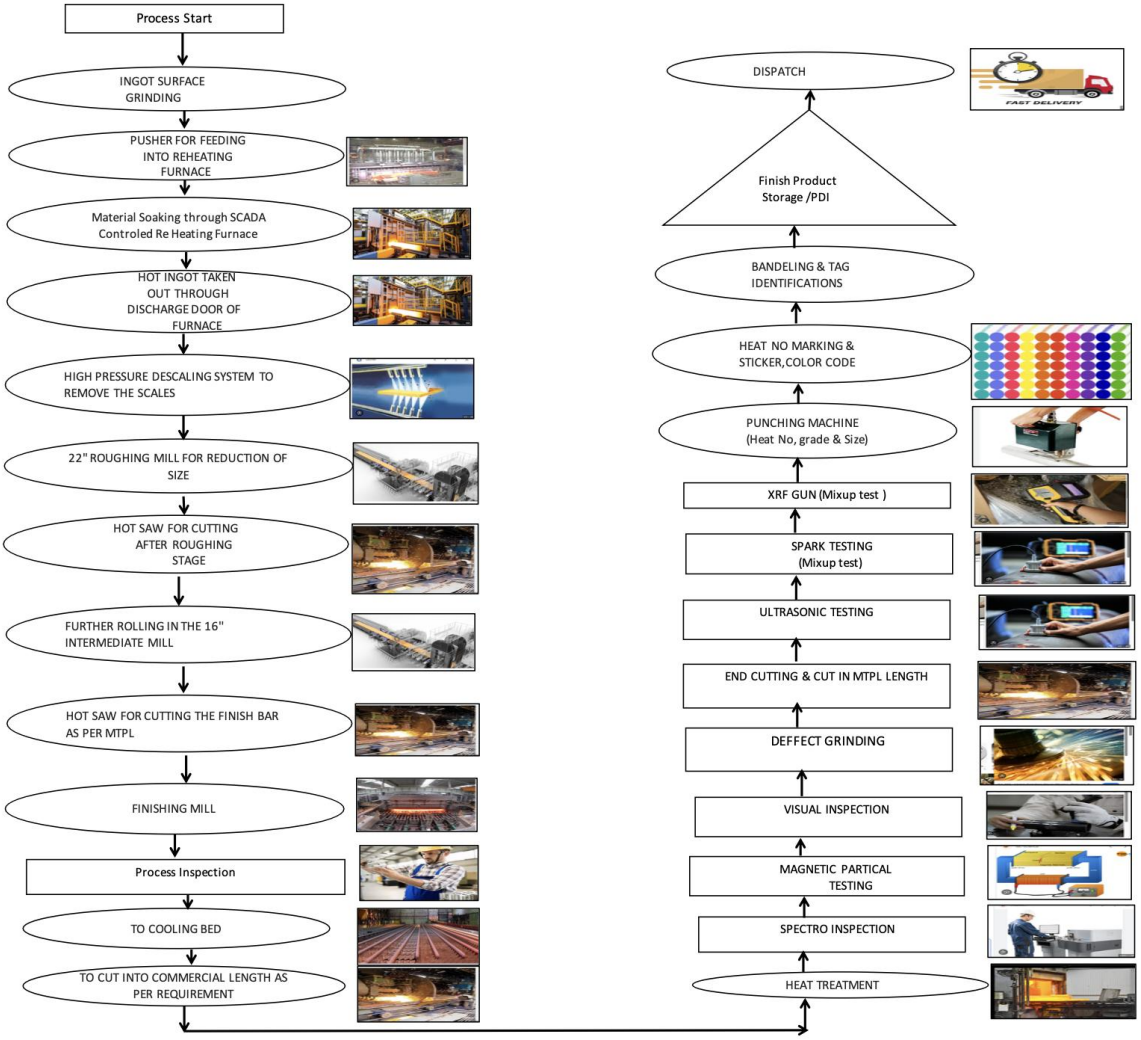


The manufacturing process at the rolling mill division begins with the selection and charging of steel ingots or billets, chosen based on the desired alloy steel grade. These are visually inspected and then charged into a fully automatic natural gas-fired reheating furnace, where they are uniformly heated to ensure optimal plasticity for deformation. Upon exiting the furnace, the material passes through a 300 mBar high-pressure water descaler system to remove any surface scale, which ensures a clean surface for subsequent rolling and minimizes die wear. The hot material is then subjected to primary reduction in our 22” reversing mill through multiple reverse passes. This is followed by intermediate rolling in a 16” mill, where further size reduction and shaping take place, and finally finished in the 12.5” continuous mill. The continuous rolling ensures the final round bars achieve the required dimensional accuracy and surface finish.

After rolling, the hot bars are cut to the desired lengths using hydraulic hot saws or shears. Cooling is carried out through our hybrid cooling system, which includes an automatic cooling bed for uniform air cooling and a slow cooling vermiculite pit used particularly for tool steels to avoid internal stress and cracking.

Heat treatment is then carried out depending on the steel grade and customer requirements. We perform annealing, normalizing, and quenching & tempering using electric or gas-fired furnaces with PID-based temperature controls. Quenching may be done in water, oil, or polymer-based media, followed by tempering to balance hardness and toughness.

Straightening is done using hydraulic or mechanical straightening machines. After straightening, finishing operations such as end chamfering, shot blasting (if required), stamping with heat number and grade, and bundling are carried out.

In addition to rolled bars, we also manufacture forged products and specialize in the production of tool steels such as H-13 and DB-6. We have also installed a machining facility in-house, enabling us to supply semi-finished or fully machined bars as per customer drawings and tolerances.

Quality control and quality assurance

Our product offerings are subject to stringent quality standards and specifications and adhering to the exacting quality standards is a pre-requisite for us to be able to retain customers. Our facilities have received various quality and standard certifications including ISO 9001-2015 for Quality Management, ISO 14001:2015 for Environment Management, ISO 450001:2018 for Occupational Health & Safety Management certificate and are subject to regular customer audits. We also possess a BIS license as per ISO 14650:2023 and IS 2062:2011. Moreover, we have 'Certificate for Approval of Well known steel maker' from the Central Boilers Board for manufacture of boiler quality ingots up to 40" x 46" and up to 15 MT/piece in carbon steel, alloy steel and stainless steel. Additionally, we have been awarded a ZED Certificate which denotes Zero Defect Zero Effect. Further, we are compliant with the GHG Protocol C ISO 14064-1:2018 and ISO 14064-3:2019 certification with respect to greenhouse emission of our Manufacturing Facilities and PED 2014/68/EU.

We ensure a rigorous quality inspection process, which includes dimensional and visual checks, ultrasonic testing for internal soundness, and mechanical tests for tensile strength, yield strength, elongation, impact resistance, and hardness. Chemical composition is verified using spectrometry, and microstructural evaluation is done for selected heats. All products are dispatched only after final QC clearance, accompanied by test certificates and documentation as per customer specifications.

As on August 31, 2025, our quality control and quality assurance department comprised 13 employees. We have a dedicated physical testing, chemical testing and sand laboratory comprising equipment and a team of dedicated engineers conducts inspections and testing at various stages using advanced metrological instruments, including the Proceq Equotip Hardness tester for initial hardness checks and Non-Destructive Testing (NDT) for internal flaw detection. Set out below are brief details of our testing equipment.

Physical testing laboratory	***Chemical testing laboratory***	***Sand laboratory***	***Other equipment (for testing and prototyping)***
• Universal Testing Machine • Digital Impact Testing Machine • Inverted Metallurgical Microscope with Image Analyser • Ultrasonic Testing Machine • Surface Flaw Detector • Magnetic Particle Inspection • Penetrant Testing (Surface/Dye) • Digital Brinell Hardness Tester • Proceq Equotip Hardness Tester • Bomb Calorimeter • Jominy Testing • Muffle Furnace • Digital Micro Vickers Hardness Tester • Profile Projector	• Chemical Laboratory for Wet Analysis • SPECTROMAXx Arc/Spark OES Metal Analyser (Spectrometers) • LECO Elemental Analyser (Oxygen/Nitrogen /Hydrogen) • Olympus Portable XRF Alloy Analysers	• Sieve Shaker • Universal Strength Machine • Permeability Meter • Clay Testing Machine • Core Hardness Tester	• 5 kg induction furnace • 10 kg heat treatment furnace

Utilities

Our manufacturing operations are power intensive and we have a 66KvA sub-station installed in our Manufacturing Facilities which provides a steady and uninterrupted power supply.

Sales and marketing

We sell directly (through our in-house sales team) to our customers, and we have striven to keep middle-men and other agents out of our sales process since our products are highly customised and engineered. Our orders are purchase-order based and we get projections from most of our customers which helps us in planning our production processes. We, generally, do not get into long term contracts to avoid rising costs due to volatility in steel prices. To deepen existing relationships with our customers we focus on providing customer service, personalized solutions, ongoing support, and proactive communication for addressing any issues. This involves understanding customer needs, and building trust through consistent and reliable interactions.

We also consistently participate in industry exhibitions and have participated in exhibitions such as the All India Steel Conclave, Castings and Foundries Expo, AIIFA Steelex etc. We have also been granted a certificate of recognition as a 'One Star Export House' by the Ministry of Commerce and Industry, Government of India.

Customers

We cater to a large number of domestic and international customers. As of March 31, 2025, we have catered to 1,681 customers. Since April 1, 2022, we have exported products across 5 continents and 15 countries. Our customer base spans multiple industries including industries automobile, steel, mining, infrastructure and construction, power, aerospace and defence and cement. Set out below are details of our top 3, top 5 and top 10 customers.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations *(in ₹ million)*	% of revenue from operations	Revenue from operations *(in ₹ million)*	% of revenue from operations	Revenue from operations *(in ₹ million)*	% of revenue from operations
Top 3 customers	975.68	19.21	844.92	18.94	932.17	20.14
Top 5 customers	1,413.11	27.82	1,242.75	27.86	1,385.37	29.93
Top 10 customers	2,027.16	39.91	1,686.51	37.81	1,991.32	43.02

For details of our top 10 customers see *'Management's Discussion and Analysis of Financial Condition and Results of Operation - Significant dependence on a single or few suppliers or Customers'* on page 479.

Employees

As on August 31, 2025, we had 774 permanent employees and we had engaged 296 persons on contract basis. Set out below is the break-up of our permanent employees and persons on contract basis as on August 31, 2025.

Division	Permanent Employees	Contract workers	Total Employees
SMS and Foundry Division	578	217	795
Rolling Mill Division	196	79	275
Total	**774**	**296**	**1,070**

Set out below is the department wise break-up of permanent employees as on August 31, 2025.

Department	SMS and Foundry Division	Rolling mill Division	Total
Director office	2	1	3
Administration and Human Resources	28	16	44
Finance & Accounts	8	2	10
Security	12	10	22
Transport	18	0	18
Sales & Marketing	8	2	10
Production & Maintenance Departments and Quality Control	477	158	635
R&D	9	4	13
Miscellaneous	16	3	19
Total	**578**	**196**	**774**

The table below provides the attrition rate for our employees for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
No of employees who left during the year / period (**A**)	351	207	173
No of employees at the beginning of the year / period + No of employees joined during the year / period (**B**)	941	742	638
Employee attrition ratio (**A/B**) (%)	37.30	27.90	27.12

Note: The table above only includes details of employees who completed the probationary period of 6 months.

Further, in Fiscal 2025, Fiscal 2024 and Fiscal 2023, we had attrition of only 1 person amongst our KMP and members of the Senior Management.

As on August 31, 2025, in addition to our permanent employees, we also engaged 73 apprentices under the Government of India, National Apprenticeship Promotion Scheme.

IT infrastructure

Our IT systems are vital to our business, and we have implemented ERP software solutions which enables us real time monitoring of key areas of operations such manufacturing, finance, sales, marketing, logistics, purchase and inventory. Our IT and ERP team oversees various aspects including maintaining enterprise information systems and infrastructure services to support our business requirements and maintaining secure operations. Information security is one of the key focus areas catering to risk assessment and cybersecurity. We have developed standard operating procedures for data recovery in case of a disaster including regular backups.

In addition, we have implemented a quality control laboratory information management system to assist management and safeguard our laboratory processes that allows for paperless operations and digital information flows.

Environmental compliance and safety

Our Company is committed to sustainable and environmentally conscious manufacturing practices. We ensure compliance with all applicable environmental regulations prescribed by the Central and State Pollution Control Boards. Our operations are designed to align with the Environment (Protection) Act, 1986, and other statutory guidelines governing air, water, and waste management. For details of our environmental approvals see *'Government and Other Approvals'* on page 485. We conduct continuous ambient air quality monitoring at multiple points across our Manufacturing Facilities to ensure that emission levels remain within permissible norms. To further reinforce our efforts at tracking and reducing carbon emission we are compliant with the GHG Protocol C ISO 14064-1:2018 and ISO 14064-3:2019 certification with respect to greenhouse emission at our Manufacturing Facilities.

We have an in-house sewage treatment plant towards ensuring environmentally safe discharge of water based effluents and we also recycle used oils, and lubricants. We also ensure that metal scraps and by-products are either reused in the production cycle or sent to authorized recyclers, supporting a circular manufacturing process. Further, we also undertake tree plantation drives within and around the facility to improve green cover and support biodiversity. We also have a well-documented disaster management plan and have constituted an emergency response team at our Manufacturing Facilities.

Intellectual property rights

Our intellectual property comprises trademarks which are associated with our business. Details of our key trademarks registered in our name are as set out below:

Sr. No.	Registration Number	TradeMark	Class	Date of registration / renewal	Status	Validity
1.	4328116		6	October 22, 2019	Valid	10 years
2.	4328117		6	October 22, 2019	Valid	10 years
3.	4328118	BEHARI LAL ROLLS	6	October 22, 2019	Valid	10 years
4.	3230467		7	April 7, 2016	Valid	10 years

In addition, we have applied for the following trademarks.

Sr. No.	Application Number	TradeMark	Class	Date of application	Status
1.	6754122	Behari Lal	6	December 12, 2024	Pending
2.	6766785	Behari Lal	7	December 20, 2024	Pending

Property

Set out below are details of the property owned or leased by our Company.

Description of property	Location of Property	Brief description of activity	Leased/Owned	Validity	Whether related party
The Registered Office of our Company and Manufacturing Facility 1 (SMS Division)	Village Salani, Amloh Road, Mandi Gobindgarh, Punjab-147301.	Steel Melt Shop, Foundry & Machine Shop, Manufacture of Alloy & Non Alloy Ingots, Metal Rolls, Engineering Castings	Owned	-	-

Description of property	Location of Property	Brief description of activity	Leased/Owned	Validity	Whether related party
Manufacturing Facility 2 (Rolling Mill Division)	Village Turan, Amloh Road, Mandi Gobindgarh, Punjab-147301.	Iron & Steel Re-Rolling Mills and manufacturing of Flats, Rounds & Squares etc.	Owned	-	-
Corporate Office	B-9, Surajmal Vihar, Vikas Marg Extn, New Delhi- 110092	Business development & research.	Leased	February 28, 2026	Yes
Additional land 1	Village Turan, Amloh Road, Mandi Govindgarh, Distt Fatehgarh Sahib	Used as green belt towards plantation of trees	Leased	February 28, 2026	Yes
Additional land 2	Village Turan, Amloh Road, Mandi Govindgarh, Distt Fatehgarh Sahib	Used as green belt towards plantation of trees	Leased	February 28, 2026	Yes
Additional land 3	Village Turan, Amloh Road, Mandi Govindgarh, Distt Fatehgarh Sahib	Used as green belt towards plantation of trees	Leased	February 28, 2026	Yes

Additionally, our Company owns approximately 6.47 acres of land which is currently vacant which is proposed to be used for future development in line with our growth plans.

Insurance

We maintain insurance in line with industry standards and our assets such as manufacturing plant and machinery, motor vehicles are insured. We also maintain employee general insurance etc. We have also obtained all risk insurance, machine breakdown & marine insurances to cover unforeseen accidents & events. We also avail of temporary insurance including transit insurance and works contract insurance as required.

Set out below are details of our break-up of our insurance coverage.

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Insurance coverage* (**A**)	883.16	1,130.49	472.65
Net assets** as per Restated Financial Statements (**B**)	802.86	657.89	602.00
Insurance coverage times the net assets (**A/B**)	1.10	1.72	0.79

** Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipment, vehicles, erection and all risk insurance.*

*** Net assets = Property, Plant and Equipment (net block) +Capital Work in Progress +Intangibles (net block) + Investment Property (Buildings net block)*

Competition

We compete with a large number of entities across different segments of our product categories. Set out below are some of our key competitors in our across key product categories.

Product Category	Company Name
Metal Rolls	Bharat Roll Industry Pvt. Ltd.
	IFGL Refractories Ltd
	RHI Magnesita India Ltd.
Engineering Castings	Kennametal India Ltd

Product Category	Company Name
	Peekay Steel Castings (P) Ltd.
	AIA Engineering Ltd
	Steelcast Ltd
Alloy Steel products	Jailaxmi Casting & Alloys Pvt. Ltd.
	Jayaswal Neco Industries Ltd
	Vardhman Special Steel Ltd.

Corporate social responsibility initiatives

We have instituted a corporate social responsibility policy in compliance with applicable law, which encompasses our Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large. The key focus areas identified by our Company include activities/projects (a) hunger, poverty malnutrition and health, (b) education including special education and employment enhancing vocation skills, especially among children, women and elderly (c) gender equality and empowerment of women, (d) environmental sustainability, (e) national heritage, art and culture, (f) benefit of arms force veterans, (g) promotion of sports, (h) contribution to relief funds, (i) contribution to research, (j) contribution to universities, (k) rural development projects, (l) slum area development, and (m) disaster management. We have supported tree plantations and landscape maintenance around our office premises as part of our environment initiatives. In Fiscal 2025, Fiscal 2024 and Fiscal 2023 we spent ₹ 11.68 million, ₹ 6.08 million and ₹ 3.10 million, based on our Restated Financial Statements, towards CSR activities, in compliance with applicable law.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain key statutes, bills, regulations, notifications, memorandums, circulars and policies which are applicable to our business. The tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company.

The information detailed in this chapter, is based on the current provisions of key statutes, bills, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations as set out below is not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us in compliance with these regulations, please see section titled 'Government and Other Approvals' on page 485.

Business Related Laws

*Bureau of Indian Standards Act, 2016 (**Bureau of Indian Standards Act**)*

The Bureau of Indian Standards Act provides for the standardization, conformity assessment, marking and quality certification of goods, articles, processes, systems and services. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark; and (c) make such inspection and take such samples of any material or substance as may be necessary.

*Factories Act, 1948 (**Factories Act**)*

The Factories Act defines a "factory" to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, where a manufacturing process is being carried on without the aid of power. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety, and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

*Industries (Development and Regulation) Act, 1951 (**Industries Act**)*

The Industries Act governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance, and results of industrial undertakings in public interest. The Industries Act is applicable to the 'Scheduled Industries' which have been listed down in the first schedule of the Industries Act. Small-scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Act. The Industries Act regulates the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. The Industries Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion which is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

Remission of Duties and Taxes on Exported Products Scheme

The Scheme for Remission of Duties and Taxes on Exported Products (**RoDTEP Scheme**), acts as the successor to the Merchandise Exports from India Scheme. Certain taxes/duties/levies which are outside the scope of Goods

and Service Tax and are not refunded for exports, such as, value added tax on fuel used in transportation, mandi tax, duty on electricity used during manufacturing etc. are reimbursed under the RoDTEP Scheme.

Duty Drawback Scheme, 2020

The duty drawback scheme is an option available to exporters. Under this scheme, an exporter of goods is entitled to a refund of the excise duty and integrated goods and services tax paid by him on the inputs used in the products exported by him. It neutralizes the duty impact on the goods exported by giving a relief on customs and central excise duties suffered on the inputs used in the manufacture of export product. The Customs and Central Excise Duties Drawback Rules, 2017, as amended (**Drawback Rules**) have also been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities processing export documentation.

Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme. The all industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture.

Shops and Establishment Legislations

Under the provisions of local shops and establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our offices are required to be registered under the shops and establishments legislations of the states where they are located.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (**Metrology Act**) seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matter's incidental thereto. The Metrology Act, *inter alia*, provides for: (a) regulation of weight or measure used in transaction or for protection; (b) approval of model of weight or measure; (c) verification of prescribed weight or measure by Government approved Test Centre; (d) exempting regulation of weight or measure or other goods meant for export; I nomination of a person by the companies who will be responsible for complying with the provisions of the enactment; and (f) empowering the Central Government to make rules for enforcing the provisions of the enactment. Any non-compliance or violation of the provisions of the Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Environmental Legislations

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 (**EPA**) is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986 and the Environment (Protection) Second Amendment Rules, 2022, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (**Water Act**) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must

obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 **(Air Act)** provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 and Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2024

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016, as amended **(Hazardous Waste Rules)** define the term 'hazardous waste' and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an 'occupier'. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorization from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

The Solid Wastes Management Rules, 2016

The Solid Waste Management Rules, 2016, apply to all waste generators including industrial, commercial, and residential entities. The Rules mandate segregation of waste at source into biodegradable, non-biodegradable, and hazardous categories. Bulk waste generators are required to process, treat, and dispose of waste responsibly. Local authorities are tasked with waste collection, transportation, and disposal. The Rules emphasize waste reduction, source segregation, and resource recovery, and promote the inclusion of informal waste workers. They also encourage Extended Producer Responsibility for sustainable waste management and environmental protection.

Foreign Investment and Trade Related Laws

Foreign Investment in India

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (**FEMA Rules**) and the Consolidated FDI Policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion (**FDI Policy**), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non Debt Instruments) Regulations, 2019 on October 17, 2019, which regulate mode of payment and remittance of sale proceeds, among others. 100% foreign investment under the automatic route, i.e., without requiring prior governmental approval, is permitted in the manufacturing sector. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e., direct foreign investment and indirect foreign investment) in an Indian company. In terms of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

Foreign Trade (Development and Regulation) Act, 1992 (the FTA)

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and

augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number (**IEC**) granted by the Director General of Foreign Trade, Ministry of Commerce (**DGFT**). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA.

Foreign Trade Policy 2023

The Foreign Trade Policy 2023 shall remain to be in operation unless otherwise specified or amended. The FTA read with the Foreign Trade Policy 2023 prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number ("**IEC**") granted by Directorate General of Foreign Trade (**DGFT**). Hence, every entity in India engaged in any activity involving import or export is required to obtain an IEC unless specifically exempted from doing so. IEC shall be valid until it is cancelled by the issuing authority. IEC allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain IEC shall attract penalty under the FTA.

Information Technology Act, 2000 (IT Act)

The IT Act was enacted with the purpose of providing legal recognition to transactions carried out by the means of electronic data interchange and other means of electronic communication, commonly referred to as electronic commerce, which involve the use of alternatives to paper-based methods of communication and storage of information. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The Information Technology (Amendment) Act, 2008, which amended the IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Maternity Benefit Act, 1961, the Employee's Compensation Act, 1923, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, the Industrial Dispute Act, 1947, Apprentices Act, 1961, Industrial Employment (Standing Orders) Act, 1946, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Equal Remuneration Act, 1976, the Child Labour (Prohibition and Regulation) Act, 1986, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

(a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

(b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of

industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

(c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

(d) The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

Other than few provisions of the Code on Social Security which have been notified on May 3, 2023, the provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Intellectual Property Laws

Intellectual property rights refer to the general term for intangible, intellectual property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. In India, patents, trademarks and copyrights enjoy protection under both statutory and common law. The key legislations governing intellectual property in India and which are applicable to our Company are the Patents Act, 1970, Copyright Act, 1957, the Designs Act, 2000 and the Trade Marks Act, 1999.

Laws relating to Taxation

The Goods and Services Tax (**GST**) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (**CGST**), relevant state's Goods and Services Act, 2017 (**SGST**), Union Territory Goods and Services Act, 2017 (**UTGST**), Integrated Goods and Services Act, 2017 (**IGST**), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (**Income Tax Act**) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Customs Act, 1962

The Customs Act, 1962 (**Customs Act**), as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods. Any entity intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, Government of India.

Other Applicable Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, foreign exchange laws, contract laws, Negotiable Instruments Act, Punjab State Development Tax Act, anti-trust laws and other applicable statutes enacted by the Centre or relevant State

Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as 'Behari Lal Ispat Private Limited', at Jalandhar, Punjab as a private limited company under the Companies Act, 1956 and received a certificate of incorporation issued by the Registrar of Companies, Punjab, H.P. & Chandigarh on May 23, 1995. Subsequently, the name of our Company was changed to 'Behari Lal Engineering Private Limited' pursuant to a special resolution passed by the shareholders of our Company on August 5, 2024, and a fresh certificate of incorporation issued by the RoC on September 4, 2024. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by the Shareholders of our Company passed in their meeting on August 5, 2024, and the name of our Company was changed to its present name 'Behari Lal Engineering Limited', pursuant to a fresh certificate of incorporation issued by the RoC on September 21, 2024.

Changes in the Registered Office:

The details of change in the registered office of our Company since incorporation are set forth below:

Date of change	Details of the address of Registered Office	Reason for change
March 1, 2012	The Registered Office of our Company was changed from G T Road, Mandi Gobindgarh, Distt Fatehgarh Sahib, Punjab – 147301, India to Salani-village, Amloh Road, Mandi Gobindgarh, Punjab-147301, India.	For convenience in working of our Company and its overall interest.

Main Objects of our Company: The main objects contained in the Memorandum of Association are as follows:

1. *To produce, manufacture, purchase, refine, preper, alloys, import, export, sell and generally, deal in iron, copper, steel, tin lead, zinc, (iron ore, virgin, scrap, alloy semi- manufactured or finished form or otherwise) and for the purpose of which to purchase, acquire, erect and install factories, rolling mills, furnaces, foundries casting machines, extrusion plants, shoot and rod rolling mills, drawing mills and to manufacture stocks ingots, granules, sheets, strips, rods, tubes, bars, wires, pipes, squares, joists, channels and other forms of any metal or metals.*

2. *To manufacture, Iron steel, alloy steel, mild steel, carbon steel, forging steel, stainless steel, high speed steel, bright steel and all other types of ferrous and non- ferrous metals, and products thereof like Ingots, billets, bars, sheet, sections, ferrous, channels, wires, trips, flats, rounds etc. and to act as processors of metals, ferrous and non-ferrous into castings, forgings, rolling, re- rolling drawing, extruding including all types of finished or semi-finished goods, agricultural equipment, Automobile parts, machines tools, other hand tools, jigs, fixtures, line blades, tube, pipes and to act as metal founders, metal workers machinists, iron and steel workers, smiths, metallurgists, chemists and buyers and sellers of all the items mentioned above hardware and Scraps.*

3. *To manufacture, purchase, sell, produce, import, export, refine and deal in all kinds of steel and metal forgings of machinery, engineering goods, hardware stores, auto parts, cycle parts, hand tools, rolls, shifts, and various parts and accessories of Railways, ships, aircrafts, defense weapons and equipment, Engines, coal mining equipment. Tubewell, rolling mill parts and other general and special type of forging.*

4. *To establish and carry on the business of manufacturing, designing, fabricating, refining, treating, processing, buying, selling, producing, storing, importing, exporting and otherwise deal in all kinds of refractories, tiles, pipes, ceramic wares, bricks, potteries, porcelains, earthen wares, store wares, sanitary wares, insulators, fire-bricks, glass products, electrical goods made of porcelain, fire clay and other minerals of all description and categories and any other products similar to and required for the aforesaid products.*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association: Set out below are the amendments to our Memorandum of Association during the last 10 years:

Sr. No.	Date of Shareholders Resolution	Particulars
1.	January 29, 2016	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 10.00 million divided into 1,000,000 Equity Shares of face value ₹ 10.00 each to ₹ 13.50 million divided into 1,350,000 Equity Shares of face value ₹ 10.00 each.
2.	February 1, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 13.50 million divided into 1,350,000 Equity Shares of face value ₹ 10.00 each to ₹ 53.50 million divided into 5,350,000 Equity Shares of face value ₹ 10.00 each.
3.	April 5, 2022	In accordance with the Table A of the Schedule I of the Companies Act, the Clause III (B) of the Memorandum of Association of our Company was renamed as 'Clause 3 (b) –Matters which are necessary for furtherance of the objects specified in Clause III (A)'.
4.	August 5, 2024	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from 'Behari Lal Ispat Private Limited' to 'Behari Lal Engineering Private Limited'.
		Our Company was converted from a private limited company into a public limited company and consequently the name of our Company was changed from 'Behari Lal Engineering Private Limited' to 'Behari Lal Engineering Limited'. Accordingly, Clause I of the Memorandum of Association was amended to reflect the name of our Company, post its conversion.
5.	September 13, 2024	Clause V of the Memorandum of Association was amended to reflect the enhancement in authorised share capital of our Company due to Scheme of Amalgamation from ₹ 53.50 million divided into 5,350,000 Equity Shares of face value ₹ 10.00 each to ₹ 257.50 million divided into 9,350,000 Equity Shares of face value ₹ 10.00 each and 16,400,000 (One Crore Sixty-Four Lakhs) 3.50% Non-Cumulative & Non-Convertible Redeemable Preference Shares of face value ₹ 10.00 each.
6.	April 17, 2025	Clause V of the Memorandum of Association was amended to reflect the reclassification of authorised share capital of our Company from ₹ 257.50 million divided into 9,350,000 Equity Shares of face value ₹ 10.00 each and 16,400,000 3.50% Non-Cumulative & Non-Convertible Redeemable Preference Shares of face value ₹ 10.00 each into 25,750,000 Equity Shares of face value ₹ 10.00 each.
		Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital of our Company from ₹ 257.50 million divided into 25,750,000 Equity Shares of face value ₹ 10.00 each to ₹ 470.00 million divided into 47,000,000 Equity Shares of face value ₹ 10.00 each.

Major events and milestones of our Company:

The table below sets forth the key events in the history of our Company:

Fiscal	Particulars
2012	Commenced production of steel ingots.
2014	Commenced production of steel ingots (Forging).
	Commenced production of metal rolls.
	Commenced production of steel casting.
	Established machine shop at Manufacturing Facility 1.
2015	Commenced sale of non alloy steel rounds
	Installed vacuum degassing at Manufacturing Facility 1.
2017	Commissioned no bake sand system at Manufacturing Facility 1.
	Installed 183 kw rooftop solar pv plant at Manufacturing Facility 1.
2019	Installation of Induction Melting Furnace at Manufacturing Facility 1.
	Commissioned first CNC lathe machine at Manufacturing Facility 1.
	First dispatch of metal rolls to public sector undertaking.
2020	First export of steel casting to Finland
2021	Commissioned short blast machine at Manufacturing Facility 1.
	Installed second rooftop solar pv plant at Manufacturing Facility 1.
	Commissioned Heat Treatment Furnace with Water Quenching
2024	Received One Star Export House Export House Status by Directorate General of Foreign Trade.
	Installed a new melting furnace with a capacity of 12 MT at Manufacturing Facility 1.
	Amalgamation of Belco Special Steels Private Limited, Parkash Multimetals Private Limited and their respective Shareholders and Creditors with our Company pursuant Scheme of Amalgamation.
2025	Installed a heat treatment furnace of 150 MT capacity at Manufacturing Facility 1.

Fiscal	Particulars
	Installed 641.70 kw rooftop solar power plant at Manufacturing Facility 1.
	Installed elemental analyser at Manufacturing Facility 1.
	Commissioned CNC lathe machine (1500 x 6000) at Manufacturing Facility 1.

Awards and Accreditations

Fiscal	Particulars
2020	Awarded Punjab State MSME Award during Progressive Punjab Investors Summit (PPIS) by Department of Industries and Commerce, Government of Punjab.
2023	Selected as Top Ten Steel Foundries in India 2023
2024	Selected as Top Ten Steel Foundries 2024

1. **Other details regarding our Company**

   For details regarding the description of our activities, the growth of our Company, management, and customers, location, market, marketing and competition, see *'Our Business', 'Our Management'* and *'Industry Overview'* on pages 293, 340 and 179 respectively.

2. **Defaults or rescheduling/restructuring of borrowings with financial institutions/banks**

   There have been no defaults or rescheduling/restructuring of our outstanding borrowings availed by our Company from financial institutions or banks.

3. **Time/cost overrun**

   There have been no time/cost overruns pertaining to setting up of projects by our Company as on the date of this Draft Red Herring Prospectus.

4. **Launch of key products or services, entry into new geographies or exit from existing markets**

   For details regarding launch of key products/ services, entry into new geographies or exit from existing markets, see *'Our Business'* on pages 293.

5. **Capacity / facility creation, location of plants**

   For details regarding capacity/ facility creation, location of plants, see '*Our Business'* on page 293.

6. **Details regarding material acquisition of business/ undertakings, mergers, amalgamations and revaluation of assets in the last 10 years**

   Except as disclosed below, our Company has not undertaken any merger, demerger, amalgamation, acquisitions or divestments including any material acquisitions or divestments of any business or undertaking, or any revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus:

   Amalgamation of Belco Special Steels Private Limited (Transferor 1), Parkash Multimetals Private Limited (Transferor 2) and their respective Shareholders and Creditors (Other Transferors, together with Transferor 1 and Transferor 2, the "Transferors") with our Company.

   Our Company, in terms of a Scheme of Amalgamation dated September 25, 2024, has amalgamated with Belco Special Steels Private Limited (**Transferor 1**), Parkash Multimetals Private Limited (**Transferor 2**) and their respective Shareholders and Creditors (**Other Transferors**, together with **Transferor 1** and **Transferor 2**, the "**Transferors**") (**Scheme**. The Scheme was sanctioned by the National Company Law Tribunal, Chandigarh Bench through its order dated September 13, 2024.

   In terms of the Order, the Transferor 1 and Transferor 2 stands dissolved without undergoing the process of winding up from the appointed date of amalgamation i.e., April 1, 2022. Further, in terms of the Order, all the property, rights and power, all liabilities and duties of Transferor 1 and Transferor 2 were transferred to, vested in and became liability of our Company. All proceedings pending by or against and the tax liabilities and pending appeals and proceedings under the Income Tax Act against the Transferor 1 and Transferor 2

will be continued by or against our Company in terms of the Order. Our Company also allotted Equity Shares of face value of ₹ 10 each to the existing members of Transferor 1 and Transferor 2 in terms of the Order.

In furtherance to the above summary, below is a tabular representation of the arrangements and additional valuation details in relation to the same:

Sr. No.	Name of Arrangement	Name of Buyer/ Transferee	Name of Seller/ Transferor	Relationship of the Promoter/Directors of the Company with the entities/person from whom the Company has acquired or proposes to acquire any business/ material assets in the last 5 years	Summary of the valuation	Effective Date of Transaction
1.	Amalgamation of Belco Special Steels Private Limited, Parkash Multimetals Private Limited and their respective Shareholders and Creditors	Behari Lal Engineering Limited	Belco Special Steels Private Limited, Parkash Multimetals Private Limited and their respective Shareholders and Creditors	• Dinesh Garg is the Managing Director and one of the Promoters of our Company; • Lovlish Garg is the Whole-time Director and one of the Promoters of our Company; • Parkash Chand Garg is the Chairman and Non-Executive Director and one of the Promoters of our Company; • Parkash Chand Garg the Chairman and Non-Executive Director and one of the Promoters of our Company is the Karta of Parkash Chand Garg (HUF); • Rajesh Garg is the Vice Chairman, Non-Executive Director and one of the Promoters of our Company; • Anju Garg is the spouse of Rajesh Garg one of the Promoters and Non-Executive Director of our Company and mother of Lovlish Garg one of the Promoters and Whole-time Director of our Company; • Yogita Garg is the spouse of Dinesh Garg one of the Promoters and Managing Director of our Company; • Bhuvnesh Garg is the son of Dinesh Garg one of the Promoters and Managing Director of our Company; • Kanav Garg is the son of Dinesh Garg one of the	The fair market valuation of Belco Special Steels Private Limited, Parkash Multimetals Private Limited was carried out as per the provisions of Section 230-232 of the Companies Act, 2013, by Corporate Professionals Valuation Services Private Limited. The fair value per equity shares of Parkash Multimetals Private Limited was calculated as ₹ 836.02/- and for Belco Special Steels Private Limited was calculated as ₹ 5,298.09/-. The consideration paid by the transferee to the transferor for this transaction was ₹ 1,369.09.	September 25, 2024

Sr. No.	Name of Arrangement	Name of Buyer/ Transferee	Name of Seller/ Transferor	Relationship of the Promoter/Directors of the Company with the entities/person from whom the Company has acquired or proposes to acquire any business/ material assets in the last 5 years	Summary of the valuation	Effective Date of Transaction
				Promoters and Managing Director of our Company; • Bhanu Garg is the spouse of Lovlish Garg one of the Promoters and Whole-time Director of our Company; • Rajesh Garg one of the Promoters and Non-Executive Director of our Company is the Karta of Rajesh Kumar Garg HUF; • Lovlish Garg one of the Promoters and Whole-time Director of our Company is the Karta of Lovlish Garg HUF; and • Dinesh Garg one of the Promoters and Managing Director of our Company is the Karta of Dinesh Kumar Garg HUF.		

7. **Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

8. **Our Subsidiary**

As on the date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

9. **Details of our Joint Ventures and Associate Companies**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

10. **Guarantees given by the Promoter participating in the Offer for Sale**

Rajesh Garg and Lovlish Garg, who are amongst our Promoters and are also the Selling Shareholders, have issued personal guarantees in relation to loans availed by our Company. Set out below are the key details of the said personal guarantees:

Name of the Lender	Name of the Promoter Selling Shareholder	Type of Borrowing	Sanctioned Amount (in ₹ million)
ICICI Bank Limited	Rajesh Garg and Lovlish Garg	Overdraft Limit secured by Fixed Deposits and derivative Limit	165.00
HDFC Bank Limited	Rajesh Garg and Lovlish Garg	Dropline Overdraft, Pre-settlement Risk, Overdraft backed by fixed Deposits, bank guarantee, cash credit, letter of credit, pre shipment credit facility, Term loan	663.30

11. **Agreements with Key Managerial Personnel, Senior Management Personnel, Directors or Promoter or any other employee**

There are no agreements entered into by our Key Managerial Personnel, Senior Management Personnel, Promoters, Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

12. **Significant financial and strategic partners**

As on the date of this Draft Red Herring Prospectus, our Company does not have any significant financial and strategic partners.

13. **Details of subsisting shareholders' agreement**

Except as disclosed below, our Company does not have any subsisting shareholders' agreements as on date of this Draft Red Herring Prospectus:

Share Subscription and Shareholders' Agreement dated January 16, 2024, by and between our Company, our Shareholders, Homedge Infracon Private Limited (Investor 1) and Anubhav Gupta Investments (Investor 2, together with Investor 2, 'Investors') (SSSHA)

Pursuant to the Share Subscription and Shareholders' Agreement by and between our Company, our Shareholders, Homedge Infracon Private Limited (**Investor 1**) and Anubhav Gupta Investments (**Investor 2**, together with Investor 1, '**Investors**') dated January 16, 2024 (**SSSHA**), Investor 1 and Investor 2 collectively acquired 858,865 Equity Shares of our Company aggregating to around 11.00% of the paid up share capital of our Company for a consideration of ₹ 385.00 million. In terms of the SSSHA, Investor 1 has the right to appoint a nominee director on our Board and the Investors are entitled information rights. Further, in case of any rights issue undertaken by our Company, any unsubscribed portion of such rights issue, or any rejection of offered shares under such rights by any of the shareholders of our Company shall be first offered to the Investors. Any remaining portion of such rights issues, which remains unsubscribed by the Investors and other shareholders of our Company, will be offered to any third party, subject to written approval of the Investors. Our Company, our Shareholders, and the Investors have entered into an Termination Agreement to the Share Subscription and Shareholders Agreement dated July 1, 2025 (**Termination Agreement**). In terms of the Termination Agreement, the SSHA stands terminated with effect from July 1, 2025. However, the Termination Agreement shall be automatically terminated upon the earlier of (i) June 30, 2026; or (ii) expiry of 12 from the date of receipt of SEBI final observations pursuant to the filing of this Draft Red Herring Prospectus; (iii) the date on which our Board decides to withdraw or not to undertake the Offer; or (iv) such other date as mutually agreed by the parties to the SSSHA in writing.

14. **Details of Special Rights**

As on the date of this Draft Red Herring Prospectus, there are no Shareholders or investors who are entitled to nominate Directors or have any other special rights.

15. **Inter-se Agreements**

As on the date of this Draft Red Herring Prospectus, our Company and our Promoters, are not party to any agreements, including any deed of assignment, acquisition agreement, shareholders' agreement, inter-se agreement/ arrangement or agreements of like nature, with respect to securities of our Company. Further, we confirm there are no other inter-se agreements, arrangements and clauses or covenants which our Company, is a party to, in relation to securities of our Company, which are material and adverse or pre-judicial to the interests of the minority/ public shareholders or which may have a bearing on the investment decision.

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Shareholders, Promoters, members of Promoter Group, Directors, Key Managerial Personnel of the Company, among themselves or with our Company or with a third party, solely or jointly, other than in the normal course of business, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not our Company is a party to such agreements.

16. **Material Agreements**

As on date of this Draft Red Herring Prospectus, there are no material agreements (except agreements entered in the ordinary course of business) which have been entered into by our Company.

17. **Other confirmations**

There are no material clauses of our Articles of Association that have been left out from disclosures having a bearing on the Offer or this Draft Red Herring Prospectus.

18. **Details of Agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of SEBI Listing Regulations**

There are no agreements that have been entered into by the Shareholders, Promoters, Promoter Group, related parties, Directors, Key Managerial Personnel, Senior Management or, employees of our Company, amongst themselves or with our Company or with any third party, solely or jointly, which either, directly or indirectly, or potentially, or whose purpose and effect is to impact the management or control of our Company or impose any restrictions on or create any liability upon our Company.

OUR MANAGEMENT

Companies Act and our Articles of Association, require that our Board shall comprise of not less than 3 and not more than 15 Directors. However, our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting. As on the date of filing of this Draft Red Herring Prospectus, our Board comprises 10 Directors (including 1 women director), of whom 3 are Executive Directors, 2 are Non-Executive Directors and 5 are Independent Directors (including 1 woman independent director). Our Company is in compliance with the laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board as on the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
1.	**Parkash Chand Garg** **Designation**: Chairman and Non-Executive Director **Current Term**: March 26, 2025, liable to retire by rotation **Period of Directorship**: Director since May 23, 1995 **Address:** House No. 147, 5-C, Goyal Colony, Mandi Gobindgarh (R), Fatehgarh Sahib, Punjab, India - 147301. **Occupation**: Business **Date of Birth**: September 23, 1939 **DIN**: 00215024	87 years	*Indian Companies* Nil *Foreign Companies* Nil
2.	**Rajesh Garg** **Designation**: Vice Chairman and Non-Executive Director **Current Term**: May 31, 2025, liable to retire by rotation **Period of Directorship**: Director since February 25, 2025 **Address**: D-11, Ashoka Niketan, Shakar Pur Baramad, Shakarpur, East Delhi, Delhi – 110092. **Occupation**: Business **Date of Birth**: February 22, 1966 **DIN**: 00215153	59 years	*Indian Companies* BLC Metals Private Limited *Foreign Companies* Nil
3.	**Dinesh Garg** **Designation**: Managing Director **Current Term**: November 4, 2024, for a period of five years **Period of Directorship**: Director since June 7, 1995	55 years	*Indian Companies* BLC Metals Private Limited *Foreign Companies* Nil

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Address: House No. 147, 5-C, Goyal Colony, Gobindgarh (R), Fatehgarh Sahib, Punjab, India - 147301. **Occupation**: Business **Date of Birth**: September 2, 1970 **DIN**: 00215117		
4.	**Lovlish Garg** **Designation**: Whole-time Director **Current Term**: November 4, 2024, for a period of five years **Period of Directorship**: Director since April 1, 2016 **Address**: D-11, Ashoka Niketan, Vikas Marg Extn, Laxmi Nagar (East Delhi), PO: Laxmi Nagar, Dist. East Delhi, Delhi, India – 110092. **Occupation**: Business **Date of Birth**: July 16, 1989 **DIN**: 02000916	36 years	*Indian Companies* Nil *Foreign Companies* Nil
5.	**Manvinder Partap Singh** **Designation**: Executive Director **Current Term**: From May 1, 2025 for a period of 3 years **Period of Directorship**: Director since May 1, 2025 **Address**: House No. 305, Street No. 1, Block 21/C, Near Shri Radha Krishna Mandir, Gandhi Nagar, Gobindgarh (R), Fatehgarh Sahib, Punjab, India – 147301. **Occupation**: Employee **Date of Birth**: July 17, 1970 **DIN**: 11075855	55 years	*Indian Companies* Nil *Foreign Companies* Nil
6.	**Anil Dhawan** **Designation**: Independent Director **Current Term**: Five years with effect from February 25, 2025 **Period of Directorship**: Director since February 25, 2025	71 years	*Indian Companies* The Alloy Steel Producers Association of India *Foreign Companies* Nil

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Address: B-302, Plot No. 29, Ispatika Appts, Sector 4 Dwarka, Dwarka Sector 6, South West Delhi, Delhi, India – 110075. **Occupation**: Business **Date of Birth**: October 31, 1953 **DIN**: 08668508		
7.	**Anil Kumar Bansal** **Designation**: Independent Director **Current Term**: Five years with effect from February 25, 2025 **Period of Directorship**: Director since February 25, 2025 **Address**: Flat No.401, Tower-20, BPTP Terra Building, Sector-37 D, Gurgaon, Gurgaon, Gurgaon, Haryana, India - 122001. **Occupation**: Business **Date of Birth**: August 28, 1964 **DIN**: 10937203	61 years	*Indian Companies* Nil *Foreign Companies* Nil
8.	**Ayussh Mittaal** **Designation**: Independent Director **Current Term**: Five years with effect from February 25, 2025 **Period of Directorship**: Director since February 25, 2025 **Address**: K.P. Block, H. No. 301, Maurya Enclave Pitampura, Saraswati Vihar S.O., North West, Delhi, India – 110034. **Occupation**: Business **Date of Birth**: February 27, 1993 **DIN**: 07667437	32 years	*Indian Companies* i. Shrikripa Fin-Lease and Marketing Private Limited ii. Mahhayatrah Entertainment Private Limited *Foreign Companies* Nil
9.	**Meena Rohilla** **Designation**: Independent Director **Current Term**: Five years with effect from February 25, 2025 **Period of Directorship**: Director since February 25, 2025	46 years	*Indian Companies* Nil *Foreign Companies* Nil

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Address: Flat No. 2206 A, Block No. 15, Housing Board Sector 63, Chandigarh, India - 160047. **Occupation**: Professional **Date of Birth**: September 30, 1978 **DIN**: 10955234		
10.	**Rajesh Kumar Sinha** **Designation**: Independent Director **Current Term**: From May 1, 2025 till conclusion of the next Annual General Meeting **Period of Directorship**: Director since May 1, 2025 **Address**: House No. 1103, Millenium Residency, Plot No. 4, Sector 47, Gurgaon, P.O.: Gurgaon, Dist. Gurgaon, Haryana, India – 122001. **Occupation**: Business **Date of Birth**: February 18, 1957 **DIN**: 00556694	68 years	*Indian Companies* Nil *Foreign Companies* Nil

Brief Profile of our Directors

Parkash Chand Garg is the Chairman and Non-Executive Director and one of the Promoters of our Company. He holds a Degree in Arts from Government Mohindra College, Patiala. He has been associated with our Company as a director since its incorporation and has around 30 years of experience in steel industry.

Rajesh Garg is the Vice Chairman and Non-Executive Director and one of the Promoters of our Company. He holds a Bachelor's Degree in Arts from DAV College, Chandigarh. He was previously associated with our Company as a director. He is currently associated with BLC Metals Private Limited as well as a director. He has around 28 years of experience in the steel industry.

Dinesh Garg is the Managing Director and one of the Promoters of our Company. He holds a Bachelor's Degree in Commerce from Panjab University. He holds a certificate in management (owner manager programme) from S.P. Jain Institute of Management and Research. He has been associated with our Company since 1995 and is responsible for managing the day-to-day business of our Company. He has around 30 years of experience in steel industry.

Lovlish Garg is the Whole-time Director and one of the Promoters of our Company. He holds a Bachelor's Degree in Arts from University of Delhi. He has also completed post-graduation in family managed business from S.P. Jain Institute of Management & Research. He was previously associated with Parkash Multimetals Private Limited as a director. He has been associated with our Company since 2016 and is responsible for overall management and administration in our Company. He has around 13 years of experience in the steel manufacturing industry.

Manvinder Partap Singh is the Executive Director of our Company. He holds a Bachelor's Degree in Science from Mahatma Jyotiba Phule Rohilkhand University. He has been associated with our Company as General Manager – Steel Melting Shop since January 1, 2014 and as an Executive Director since May 1, 2025. He is responsible for the steel melting shop in respect of scheduling of processes. He has around 11 years of experience in the steel industry.

Anil Dhawan is one of the Independent Directors of our Company. He holds a Bachelor's degree and a Master's degree in Science, both from University of Delhi. He also holds a degree of Doctor of Philosophy from University of Delhi. He has completed an executive development programme from Indian Institute of Foreign Trade, New Delhi. He has completed a course in the Economics of the Steel Industry from Fordham University. He was previously associated with Steel Authority of India Limited as a director. He has around 36 years of experience in steel industry.

Anil Kumar Bansal is one of the Independent Directors of our Company. He holds a Bachelor's Degree in Commerce from Punjabi University. He is a certified associate of the Indian Institute of Bankers. He holds a certificate in commercial credit issued by Moody's Analytics. He was previously associated with State Bank of India. He has around 39 years of experience in banking.

Ayussh Mittaal is one of the Independent Directors of our Company. He is a member of the Institute of Chartered Accountants of India and holds a certificate of practice from the Institute of Chartered Accountants of India since 2017. He is currently associated with M/s S M A & Associates as a partner. He has around 8 years of experience in accounting and finance.

Meena Rohilla is one of the Independent Directors of our Company. She holds a Bachelor's Degree in Business Administration from Kurukshetra University. She is an associate member of the Institute of Company Secretaries of India and is a practicing company secretary. She was associated with M. R. Chechi & Associates. She has around 14 years of experience in secretarial, regulatory and statutory compliance.

Rajesh Kumar Sinha is one of the Independent Directors of our Company. He holds a Bachelor's degree in Engineering from Rajasthan University. He also holds a provisional Master's Degree in Science in engineering from Regional Institute of Technology, Jamshedpur. He was previously associated with Rajinder Steels Limited, Usha Martin Industries Limited, Monnet Ispat & Energy Limited and Sunflag Iron & Steel Co. Ltd. He has around 22 years of experience in steel and metals industry.

Confirmations

None of our Directors were or are directors of any listed companies on any stock exchange during the preceding 5 years of this Draft Red Herring Prospectus whose shares have been or were suspended from being traded on any stock exchange during his / her tenure as a director of such listed company.

None of our Directors were or are directors in any listed companies which have been or were delisted from stock exchanges during his / her tenure as a director of such listed company.

Relationship between our Directors and key managerial Personnel and Senior Management

Except as stated below, none of our Directors are related to any of the Key Managerial Personnel and Senior Management Personnel of our Company or to each other:

1. Parkash Chand Garg, our Chairman and Non-Executive Director and one of our Promoters is the father of (i) Dinesh Garg, our Managing Director and (ii) Rajesh Garg, our Vice Chairman and Non-Executive Director, who are also our Promoters;

2. Rajesh Garg, our Vice Chairman and Non-Executive Director and one of our Promoters is the father of Lovlish Garg, our Whole-time Director and one of our Promoters;

3. Dinesh Garg, our Managing Director and one of our Promoters if the father of (i) Kanav Garg, our Chief Operating Officer and (ii) Bhuvnesh Garg, our Chief Executive Officer and one of our Promoters;

4. Parkash Chand Garg, our Chairman and Non-Executive Director and one of our Promoters is the grandfather of (i) Lovlish Garg our Whole-time Director and one of our Promoters, (ii) Bhuvnesh Garg our Chief Executive Officer and one of our Promoters (iii) Kanav Garg our Chief Operating Officer; (iv) Aakarsh Goyal, our Chief Financial Officer.

5. Rajesh Garg, our Vice Chairman and Non-Executive Director and one of our Promoters and Dinesh Garg, our Managing Director and one of our Promoters, are brothers.

6. Bhuvnesh Garg our Chief Executive Officer and one of our Promoters and Kanav Garg our Chief Operating Officer, are brothers.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors has been identified as a Wilful Defaulter or Fraudulent Borrower as defined under the SEBI ICDR Regulations; and

None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors were selected / appointed as Directors of our Company pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service contracts with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, and Section 180(1)(c) of the Companies Act, 2013, the resolution passed by our Board dated September 8, 2025 and the resolution passed by our Shareholders in their annual general meeting held on September 10, 2025, authorised our Board to borrow any sum or sums of money for the purpose of business of the Company, ,apart from the temporary loans obtained or to be obtained from the Company's bankers in ordinary course of business, does not exceed ₹ 3,000.00 million over and above the aggregate paid-up share capital, free reserves and securities premium of our Company.

Terms of Appointment of the Executive Directors of our Company

Managing Director

Dinesh Garg was appointed as the Managing Director of our Company with effect from November 4, 2024, until November 3, 2029, pursuant to the shareholders resolution dated July 17, 2025. He is entitled to the following remuneration and perquisites with effect from November 4, 2024:

Date of appointment	November 4, 2024
Term of appointment	5 years
Remuneration	₹ 1.80 million per annum
Other Terms and Conditions / Perquisites and allowances of expenses	Nil

Whole Time Director

Lovlish Garg was appointed as the Whole Time Director of our Company with effect from November 4, 2024, until November 3, 2029, pursuant to the shareholders resolution dated July 17, 2025. He is entitled to the following remuneration and perquisites with effect from November 4, 2024:

Date of appointment	November 4, 2024
Term of appointment	5 years
Remuneration	₹ 2.04 million per annum
Other Terms and Conditions / Perquisites and	Nil

allowances of expenses	

Executive Director

Manvinder Partap Singh was appointed as the Executive Director of our Company with effect from May 1, 2025 till April 30, 2028, pursuant to the shareholders resolution dated September 10, 2025. He is entitled to the following remuneration and perquisites with effect from May 1, 2025:

Date of appointment	May 1, 2025
Term of appointment	3 years
Remuneration	₹ 1.62 million per annum
Other Terms and Conditions / Perquisites and allowances of expenses	Nil

Terms of appointment of our Non-Executive Directors and Independent Directors

Pursuant to a resolution passed by our Board at its meeting held on March 26, 2025 and our Shareholders in their meeting dated April 17, 2025, our Non-Executive Directors i.e., Parkash Chand Garg, Rajesh Garg and our Independent Directors i.e., Anil Kumar Bansal, Ayussh Mittaal, and Meena Rohilla, are entitled to receive sitting fees of up to ₹ 0.12 million per year. Further, pursuant to the said Board at its meeting held on March 26, 2025, and Shareholders at its meeting held on April 17, 2025, Anil Dhawan, one of our Independent Directors is entitled to receive sitting fees of up to ₹ 0.25 million per year.

Pursuant to a resolution passed by our Board at its meeting held on June 23, 2025, and our Shareholders in their meeting dated July 17, 2025, Rajesh Kumar Sinha, one of our Independent Director is entitled to receive sitting fees of up to ₹ 0.12 million per year.

Our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration and sitting fees paid to them for Fiscal 2025.

Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in Fiscal 2025 are as follows:

Executive Directors

The details of the remuneration paid to our Executive Directors by our Company in Fiscal 2025 is set out below:

(*in ₹ million*)

Sr. No.	Name of the Executive Director	Amount
1.	Dinesh Garg	1.80
2.	Lovlish Garg	2.04
3.	Manvinder Partap Singh*	-

**Manvinder Partap Singh received a remuneration of ₹ 1.20 million in Fiscal 2025 as a General Manager in steel melting shop of our Company.*

Non-Executive Directors and Independent Directors

The details of the sitting fees paid to our Non-Executive Directors and Independent Directors by our Company in Fiscal 2025 is set out below:

(*in ₹ million*)

Sr. No.	Name of Non-Executive and Independent Director	Designation	Amount
1.	Parkash Chand Garg	Chairman and Non-Executive Director	Nil
2.	Rajesh Garg	Vice Chairman and Non-Executive Director	Nil*

Sr. No.	Name of Non-Executive and Independent Director	Designation	Amount
3.	Anil Dhawan	Independent Director	Nil
4.	Anil Kumar Bansal	Independent Director	Nil
5.	Ayussh Mittaal	Independent Director	Nil
6.	Meena Rohilla	Independent Director	Nil
7.	Rajesh Kumar Sinha	Independent Director	Nil

**Rajesh Garg received a remuneration of ₹ 1.19 million in Fiscal 2025 as President of our Company.*

Bonus or Profit-Sharing Plans

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Shareholding of Directors in our Company

The Articles of Association of our Company do not require our Directors to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Name of Director	Number of Equity Shares	Percentage shareholding (%)
1.	Lovlish Garg	5,532,125	14.17
2.	Dinesh Garg	4,072,195	10.43
3.	Rajesh Garg	3,897,115	9.98
4.	Parkash Chand Garg	2,798,160	7.17
Total		**16,299,595**	**41.75**

Interest of our Directors

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to each of them, by our Company. All our Non-Executive Directors and Independent Directors may be deemed to be interested to the extent the sitting fees and commission, if any, payable to them for attending meetings of our Board and / or committees thereof as approved by our Board and, or, Shareholders, and the reimbursement of expenses payable to them, as approved by our Board.

Further, except as disclosed under *'Shareholding of Directors in our Company'* above, none of our Directors hold any Equity Shares of face value of ₹ 10 each or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares of face value of ₹ 10 each held by them in the Company.

Our Directors may be deemed to be interested to the extent of certain related party transactions that were undertaken with them by our Company. Our Directors may also be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company in the normal course of business which is promoted by them or with any company in which they hold directorships or any partnership firm in which they are partners. For further details, see *'Restated Financial Statements – Note 39 - Related Party Disclosures'* on page 421.

As on the date of this Draft Red Herring Prospectus, there are no conflicts of interest between our Directors and any lessors of immovable properties taken on lease by the Company (crucial for the operations of the Company).

As on the date of this Draft Red Herring Prospectus, there are no conflicts of interest between our Directors and any suppliers of raw materials and third party service providers (crucial for the operations of the Company).

Interest of our Directors in the promotion/formation of our Company

Except for Parkash Chand Garg, our Chairman and Non-Executive Director, who was one of the initial subscribers to the memorandum of association of our Company, none of our Directors were involved in the formation of our Company.

Except for Parkash Chand Garg, Lovlish Garg, Dinesh Garg and Rajesh Garg, who are amongst the Promoters of our Company, none of our Directors were involved in the promotion of our Company.

Interest of our Directors in property

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of materials or machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Loans to Directors

Our Directors have not availed any loans from our Company.

Other interest

Other than as disclosed in '*Restated Financial Statement – Note 39 - Related Party Disclosure*' on page 421 and in the ordinary course of business no sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him / her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Other confirmation

None of our Directors have not been associated with any company that has been struck-off by the registrar of companies or the Ministry of Corporate Affairs.

Changes in our Board in the last 3 years

Except for the following, there has been no change in the Board of Directors of the Company, in the last 3 years.

Sr. No.	Name	Date of Appointment/ Change in Designation/Cessation	Reasons
1.	Rajesh Garg	February 25, 2025	Appointment as Non-Executive Director
2.	Anil Dhawan	February 25, 2025	Appointment as Independent Director
3.	Anil Kumar Bansal	February 25, 2025	Appointment as Independent Director
4.	Ayussh Mittaal	February 25, 2025	Appointment as Independent Director
5.	Meena Rohilla	February 25, 2025	Appointment as Independent Director
6.	Prakash Chand Garg	March 26, 2025	Appointment as Chairman and Non-Executive Director
7.	Manvinder Partap Singh	May 1, 2025	Appointment as Additional Executive Director
8.	Rajesh Kumar Sinha	May 1, 2025	Appointment as Additional Independent Director
9.	Rajesh Garg	May 31, 2025	Appointed as Vice Chairman and Non-Executive Director

Note: Excludes any regularisation of appointment of directors and changes in designation.

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations and Companies Act will be applicable to us immediately upon the listing of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, in respect of corporate governance pertaining to the constitution of our Board and committees thereof and formulation and adoption of policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

As on the date of filing of this Draft Red Herring Prospectus, our Board comprises 10 Directors (including 1 women director), of whom 3 are Executive Directors, 2 are Non-Executive Directors and 5 are Independent Directors (including 1-woman independent director).

Committees of our Board

Our Board has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act:

1. Audit Committee;

2. Nomination and Remuneration Committee;

3. Stakeholders' Relationship Committee;

4. Corporate Social Responsibility Committee; and

5. Risk Management Committee.

In addition to the above, our Board may, from time to time, constitute committees to delegate certain powers for various functions, in accordance with applicable laws.

Audit Committee

The Audit Committee of our Board was constituted by a resolution of our Board at their meeting held on February 25, 2025. The constitution of the Audit Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Ayussh Mittaal	Independent Director	Chairperson
2.	Meena Rohilla	Independent Director	Member
3.	Anil Kumar Bansal	Independent Director	Member
4.	Dinesh Garg	Managing Director	Member

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things, from time to time, the following:

Role of the Audit Committee

The role of the Audit Committee shall include the following:

1. To oversee the financial reporting process;

2. To review financial results and related information and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

3. To approve or modify any related party transactions, to review internal financial controls and risk management system;

4. To formulate policy on related party transactions, which shall include materiality of related party transactions;

5. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

6. To recommend appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

7. To review and evaluate with the management performance of statutory and internal auditors, effectiveness of audit process and adequacy of the internal control systems;

8. To review and monitor the statutory auditor's independence and performance, and effectiveness of audit process;

9. Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;

10. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    i. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act as amended from time to time;

    ii. Changes, if any, in accounting policies and practices and reasons for the same;

    iii. Major accounting entries involving estimates based on the exercise of judgment by management;

    iv. Significant adjustments made in the financial statements arising out of audit findings;

    v. Compliance with listing and other legal requirements relating to financial statements;

    vi. Disclosure of any related party transactions; and

    vii. Modified opinion(s) in the draft audit report.

11. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

12. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

13. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

14. To set out criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

15. Scrutinising of inter-corporate loans and investments;

16. Valuation of undertakings or assets of the Company, wherever it is necessary;

17. Evaluation of internal financial controls and risk management systems;

18. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

19. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

20. Discussing with internal auditors on any significant findings and follow up thereon;

21. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

22. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

23. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;

24. Reviewing the functioning of the whistle blower mechanism;

25. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or by any other regulatory authority.

27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.

28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

29. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.

30. Approving the key performance indicators of the Company.

31. To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

32. to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;

2. To seek information from any employee;

3. To obtain outside legal or other professional advice;

4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and

5. Such other powers as may be prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reviewing Powers

The Audit Committee shall mandatorily review the following information:

1. management's discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions submitted by the management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor;
6. examination of the financial statements and the auditors' report thereon;
7. review the financial statements, in particular, the investments made by any unlisted subsidiary; and
8. statement of deviations:
   (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
   (ii) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by a resolution of our Board at their meeting held on February 25, 2025. The constitution of the Nomination and Remuneration Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Ayussh Mittaal	Independent Director	Chairperson
2.	Meena Rohilla	Independent Director	Member
3.	Anil Kumar Bansal	Independent Director	Member
4.	Rajesh Garg	Vice Chairman and Non-Executive Director	Member

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (**Board** or **Board of Directors**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**Remuneration Policy**);
2. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
   a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
   b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. formulation of criteria for evaluation of performance of independent directors and the Board;

4. devising a policy on Board diversity;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment, promotion and removal and shall specify the manner for effective evaluation of performance of the Board (including the Independent Directors), its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;

6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;

7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

8. extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

9. evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;

11. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

12. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;

13. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

14. administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;

15. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

    - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

- the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

16. carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

17. performing such other functions as may be necessary or appropriate for the performance of its duties;

18. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

19. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;

20. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;

21. developing a succession plan for our Board and senior management and regularly reviewing the plan;

22. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;

23. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and

24. perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of our Board was constituted by a resolution of our Board at their meeting held on February 25, 2025. The constitution of the Stakeholders' Relationship Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Ayussh Mittaal	Independent Director	Chairperson
2.	Meena Rohilla	Independent Director	Member
3.	Anil Kumar Bansal	Independent Director	Member
4.	Rajesh Garg	Vice Chairman and Non-Executive Director	Member
5.	Dinesh Garg	Managing Director	Member

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

1. considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;

2. resolving the grievances of the security holders of the Company including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report , balance sheet or profit and loss account, non-receipt of declared dividends, issue of

new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

3. review of measures taken for effective exercise of voting rights by shareholders;

4. investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

5. giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

8. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of our Board was constituted by a resolution of our Board at their meeting held on February 25, 2025. The constitution of the Corporate Social Responsibility Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Rajesh Garg	Vice Chairman and Non-Executive Director	Chairperson
2.	Meena Rohilla	Independent Director	Member
3.	Anil Kumar Bansal	Independent Director	Member
4.	Ayussh Mittaal	Independent Director	Member
5.	Dinesh Garg	Managing Director	Member

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

Terms of Reference for the Corporate Social Responsibility Committee:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (**Companies Act**), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

3. To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

4. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

5. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

6. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

7. assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;

8. providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;

9. providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;

10. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

11. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The Risk Management Committee of our Board was constituted by a resolution of our Board at their meeting held on February 25, 2025. The constitution of the Risk Management Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Dinesh Garg	Managing Director	Chairperson
2.	Meena Rohilla	Independent Director	Member
3.	Anil Kumar Bansal	Independent Director	Member
4.	Ayussh Mittaal	Independent Director	Member
5.	Rajesh Garg	Vice Chairman and Non-Executive Director	Member

The scope and functions of the Risk Management Committee are in accordance with Section 178 of the Companies Act and Regulation 21 of the SEBI Listing Regulations.

Terms of Reference for the Risk Management Committee

The terms of reference of the Risk Management Committee include the following:

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:

    i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

    ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and

    iii. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks

associated with the business of the Company;

3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification thereof, as necessary;

4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

6. To implement and monitor policies and/or processes for ensuring cyber security;

7. To consider the effectiveness of decision making process in crisis and emergency situations;

8. To generally, assist the Board in the execution of its responsibility for the governance of risk;

9. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;

10. To review and recommend potential risk involved in any new business plans and processes;

11. To review the Company's risk-reward performance to align with the Company's overall policy objectives;

12. Monitor and review regular updates on business continuity;

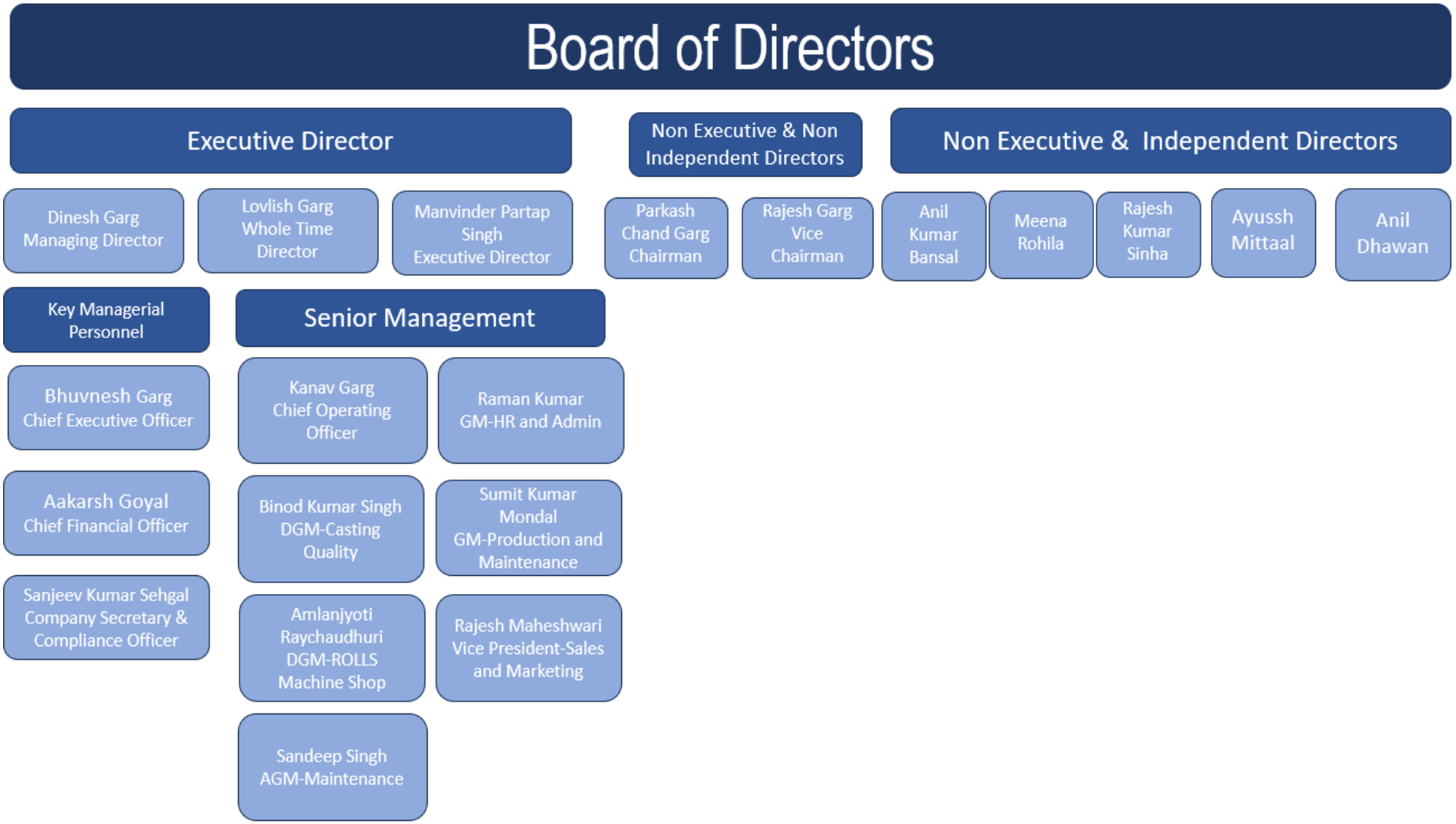
13. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary

14. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

15. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

16. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013, as amended, or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Management Organisation Structure



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Dinesh Garg, our Managing Director Lovlish Garg, our Whole Time Director, and Manvinder Pratap Singh, our Executive Director, whose details have been provided under the paragraph '*Our Management - Brief profile of our Directors*' on page 343, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

1. Bhuvnesh Garg - Chief Executive Officer;

2. Aakarsh Goyal - Chief Financial Officer; and

3. Sanjeev Kumar Sehgal - Company Secretary and Compliance Officer.

Brief Profiles of our Key Managerial Personnel

Bhuvnesh Garg is the Chief Executive Officer and one of the Promoters of our Company. He has been associated with our Company since October 1, 2019 and was appointed as Chief Executive Officer with effect from November 4, 2024. He holds a Bachelor's Degree in Business Administration from Amity University, Uttar Pradesh. He has also completed a Post Graduate Program in Global Family Managed Business from S P Jain School of Global Management. Prior to joining our Company, he was associated with Parkash Multimetals Private Limited as a director. He is responsible for overall management, strategic direction and financial performance of our Company and has around 8 years of experience. The remuneration paid to him during Fiscal 2025 is ₹ 2.04 million.

Aakarsh Goyal is the Chief Financial Officer of our Company. He was appointed as Chief Financial Officer with effect from September 23, 2024. He holds a Bachelor's Degree in Commerce from University of Delhi. He is a Chartered Accountant and a member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was practicing as a Chartered Accountant and also was associated with BLC Metals Private Limited. He is responsible for managing financial operations, financial planning, budgeting, reporting and play a key role in strategic decision making in our Company. He has around 7 years of experience. The remuneration paid to him during Fiscal 2025 is ₹ 0.78 million.

Sanjeev Kumar Sehgal is the Company Secretary and Compliance Officer of our Company. He was appointed as Company Secretary with effect from November 4, 2024 and appointed as Compliance Officer with effect from March 26, 2025. He holds a Bachelor's Degree in Commerce and holds a Bachelor's Degree in Law from Ch. Charan Singh University, Meerut. He is a member of the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Rana Polycot Limited, RSL Distilleries Private Limited and Stylam Industries Limited. He is currently responsible for secretarial, compliance and corporate governance of our Company. He has over 11 years of experience. The remuneration paid to him during Fiscal 2025 is ₹ 0.67 million.

Senior Management Personnel

The details of our Senior Management Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

1. Kanav Garg – Chief Operating Officer;

2. Rajesh Maheshwari – Vice President - Sales & Marketing;

3. Sumit Kumar Mondal – General Manager – Rolls Foundry;

4. Raman Kumar – General Manager – Administration;

5. Amlanjyoti Raychaudhuri – Deputy General Manager – Rolls Machine Shop;

6. Binod Kumar Singh – Deputy General Manager – Casting Quality; and

7. Sandeep Singh – Assistant General Manager – Maintenance.

Brief Profiles of our Senior Management Personnel

Kanav Garg is the Chief Operating Officer of our Company. He has been associated with our Company since October 1, 2019. He holds a Bachelors Degree in Commerce from Amity University, Uttar Pradesh. He also holds a Masters Degree in Science in Marketing from Brunel University, London. He is responsible for operations of Manufacturing Facilities in our Company. The remuneration paid to him during Fiscal 2025 was ₹ 2.04 million.

Rajesh Maheshwari is the Vice President - Sales & Marketing in our Company. He has been associated with our Company since February 1, 2014. He holds a Bachelors Degree in Arts from Punjab University. He is responsible for preparing sales strategies and looking after overall sales activities in our Company. The remuneration paid to him during Fiscal 2025 was ₹ 0.90 million.

Sumit Kumar Mondal is the General Manager – Rolls Foundry in our Company. He has been associated with our Company since June 12, 2024. He holds a Bachelors Degree in Engineering from Bengal Engineering College, Howrah. Prior to joining our Company, he was associated with Gontermann-Peipers (India) Limited. He is responsible for production, quality check and planning of roll foundry in our Company. The remuneration paid to him during Fiscal 2025 was ₹ 1.45 million.

Raman Kumar is the General Manager - Administration of our Company. He has been associated with our Company since February 13, 2012. He holds a Bachelors Degree in Arts from Punjab University Patiala. He is responsible for administration, support services, transport and legal compliance in our Company. The remuneration paid to him during Fiscal 2025 was ₹ 0.39 million.

Amlanjyoti Raychaudhuri is the Deputy General Manager – Rolls Machine Shop in our Company. He has been associated with our Company since August 27, 2021. He holds a certificate of passing a licentiate examination in mechanical engineering conducted by the Engineering Institute for Junior Executives. He is responsible for production, quality and planning of the machine shop in our Company. The remuneration paid to him during Fiscal 2025 was ₹ 0.86 million.

Binod Kumar Singh is the Deputy General Manager – Casting Quality of our Company. He has been associated with our Company since December 7, 2022. He has completed Bachelor's Degree in Science from Bihar Institute of Technology, Sindri. He is responsible for targeted dispatchments and quality controls of all dispatched materials in our Company. The remuneration paid to him during Fiscal 2025 was ₹ 1.34 million.

Sandeep Singh is the Assistant General Manager – Maintenance in our Company. He has been associated with our Company since August 20, 2020. He has completed Bachelor's Degree in Technology from Punjab Technical University. Prior to joining our Company, he was associated with Alaknanda Sponge Iron Limited. He is responsible for overall maintenance in our Company and ensures smooth plant operations. The remuneration paid to him during Fiscal 2025 was ₹ 0.77 million.

Relationship amongst our Key Managerial Personnel and Senior Management Personnel

Other than as mentioned in '*Our Management - Confirmations - Relationship between our Directors and Key Managerial Personnel and, or Senior Management'* at page 344, none of our Key Managerial Personnel and Senior Management are related to each other or any of the Directors.

Arrangements and Understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

Retirement and termination benefit

Except for applicable statutory benefits, none of our Key Managerial Personnel and Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel have entered into any service contract with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel which does not form part of their remuneration.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management Personnel

Other than the Equity Shares of face value of ₹ 10 each held by our directors as mentioned a '*Our Management - Shareholding of Directors in our Company*' above, the shareholding of our Key Managerial Personnels and members of Senior Management of our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Name of Director	Number of Equity Shares	Percentage shareholding (%)
1.	Bhuvnesh Garg	2,201,550	5.64
2.	Kanav Garg	3,177,750	8.14
3.	Aakarsh Goyal	191,515	0.49
Total		**5,570,815**	**14.27**

Changes in the Key Managerial Personnel and Senior Management Personnel

The changes in our Key Managerial Personnel and our Senior Management Personnel during the 3 years immediately preceding the date of this Draft Red Herring Prospectus, are set forth below:

Sr. No.	Name of the Key Managerial Personnel / Senior Management Personnel	Date of Appointment / Change / Cessation	Reasons
1.	Aakarsh Goyal	September 23, 2024	Appointed as Chief Financial Officer
2.	Sucheta Aggarwal	November 1, 2024	Resigned from the post of Company Secretary
3.	Sanjeev Kumar Sehgal	November 4, 2024	Appointed as Company Secretary and Compliance Officer
4.	Bhuvnesh Garg	November 4, 2024	Appointed as Chief Executive Officer

Bonus or Profit-Sharing Plan of Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management Personnel.

As on the date of this Draft Red Herring Prospectus, there are no conflicts of interest between our Key Managerial Personnel or Senior Management Personnel and any lessors of immovable properties taken on lease by the Company (crucial for operations of the Company).

As on the date of this Draft Red Herring Prospectus, there are no conflicts of interest between our Key Managerial Personnel or Senior Management Personnel and any suppliers of raw materials and third-party service providers (crucial for operations of the Company).

Interests of Key Managerial Personnel and Senior Management Personnel

Except as disclosed under '*Our Management - Interest of Directors*', and '*Restated Financial Statements* on pages

347 and 371, our Directors, and Key Managerial Personnel and Senior Management Personnel do not have any interest in our Company.

Attrition of Key Managerial Personnel and Senior Management Personnel vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and Senior Management Personnel is not high in comparison to the industry in which we operate.

Payment or benefits to Directors or Key Managerial Personnel and Senior Management Personnel (non-salary related)

Except as disclosed above under '*Interest of our Directors*' on page 347, '*Interest of Key Managerial Personnel and Senior Management Personnel*' on page 361, '*Restated Financial Statements'* on page 371, respectively, no amount or benefit has been paid or given within the 2 years preceding the date of filing of this Draft Red Herring Prospectus or intended to be paid or given to any officer of our Company, including our Directors, Key Management Personnel and Senior Management Personnel.

Employee Stock Option Scheme

Our Company has not formulated any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

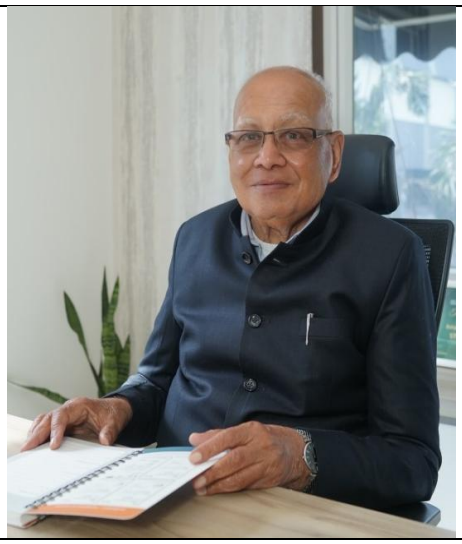
1. Parkash Chand Garg;
2. Rajesh Garg;
3. Dinesh Garg;
4. Lovlish Garg; and
5. Bhuvnesh Garg.

As on date of this Draft Red Herring Prospectus, our Promoters hold 18,501,145 Equity Shares of face value of ₹ 10 each constituting 47.39% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth below:

Sr. No.	Name of the Promoter	No. of Equity Shares of face value of ₹ 10 each	Percentage of the pre-Offer Equity Share capital (%)
1.	Lovlish Garg	55,32,125	14.17
2.	Dinesh Garg	4,072,195	10.43
3.	Rajesh Garg	3,897,115	9.98
4.	Parkash Chand Garg	2,798,160	7.17
5.	Bhuvnesh Garg	2,201,550	5.64
Total		**18,501,145**	**47.39**

For further details, see '*Capital Structure – Notes to Capital Structure – Build-up of Promoters*' shareholding in our Company" on page 120.

Brief Profiles of our Promoters



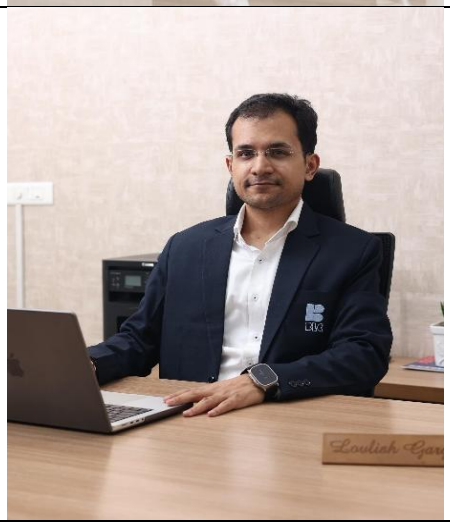
Parkash Chand Garg

Date of Birth: September 23, 1939

PAN: ABLPG8855F

Parkash Chand Garg, aged 86 years, is one of the Promoter and a Chairman and Non-Executive Director. Other than the entities forming part of the Promoter Group, he is not involved in any other venture.

For a complete profile of Parkash Chand Garg, including his educational qualifications, residential address, professional experience, position / posts held in the past, business and financial activities, other directorships and special achievements etc., see *'Our Management*' on page 340.

	Rajesh Garg **Date of Birth:** February 22, 1966 **PAN:** ABSPG0825G Rajesh Garg, aged 59 years, is one the Promoter, Vice Chairman and Non-Executive Director of our Company. Other than the entities forming part of the Promoter Group, he is not involved in any other venture. For a complete profile of Rajesh Garg, including his educational qualifications, residential address, professional experience, position / posts held in the past, business and financial activities, other directorships and special achievements etc., see *'Our Management*' on page 340.
	Dinesh Garg **Date of Birth:** September 2, 1970 **PAN:** ABLPG8854E Dinesh Garg, aged 55 years, is one of the Promoter and Managing Director of our Company. Other than the entities forming part of the Promoter Group, he is not involved in any other venture. For a complete profile of Dinesh Garg, including his educational qualifications, residential address, professional experience, position / posts held in the past, business and financial activities, other directorships and special achievements etc., see *'Our Management*' on page 340.
	**Lovlish Garg** **Date of Birth:** July 16, 1989 **PAN:** AMCPG5828N Lovlish Garg, aged 36 years, is one of the Promoter and Whole-Time Director. Other than the entities forming part of the Promoter Group, he is not involved in any other venture. For a complete profile of Lovlish Garg, including his educational qualifications, residential address, professional experience, position / posts held in the past, business and financial activities, other directorships and special achievements etc., see *'Our Management*' on page 340.

Bhuvnesh Garg

Address: House No. 147, Sector 5-C, Goyal Colony, Gobindgarh (R), Fatehgarh Sahib, Punjab, India - 147301.

Date of Birth: August 17, 1994

PAN: BHZPG5024M

Bhuvnesh Garg, aged 31 years, is one of the Promoter and Chief Executive Officer.

Other Directorships: Other than the entities forming part of the Promoter Group, he is not involved in any other venture.

For a complete profile of Bhuvnesh Garg, including his educational qualifications, professional experience, position / posts held in the past, business and financial activities and special achievements etc., see *'Our Management- Key Managerial Personnel and Senior Management*' on page 340.

Our Company confirms that the PAN, bank account number, passport number, Aadhaar card number and driving license number (to extent available) of our Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus. Our Promoters i.e., Parkash Chand Garg and Rajesh Garg do not hold a valid driving license as on the date of this Draft Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent: (a) that they have promoted our Company; and (b) of their respective shareholding in our Company, the shareholding of their relatives and entities in which the Promoters are interested and which hold the Equity Shares, and the dividends payable upon such shareholding, if any; (c) any other distributions in respect of the Equity Shares of face value of ₹ 10 each held by them, their relatives or such entities, if any; (d) of being the Directors and Key Managerial Personnel of our Company and the sitting fees/remuneration, benefits and reimbursement of expenses, payable to them as per the terms of their employment by our Company; and (e) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest, if applicable;. For further details of our Promoters, see '*Summary of Offer Document - Summary of Related Party Transactions*', '*Capital Structure*' and '*Our Management*' on pages 24, 103, and 340, respectively.

None of our Promoters are interested as a member of a firm or company and no sum has been paid or agreed to be paid to any of our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise, for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Except for BLC Metals Private Limited, no other entities forming part of our Promoter Group are engaged in business activities similar to those of our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when it arises. Further, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

As on the date of this Draft Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Promoters and members of our Promoter Group.

As on the date of this Draft Red Herring Prospectus, there is no conflict of interest with lessors of our immovable property (crucial for operation of our Company) and our Promoters and members of our Promoter Group.

Interest in property, land, construction of building and supply of machinery

Save and except as disclosed below and in the '*Restated Financial Statements – Note 39 - Related Party*

Disclosures' at page 421, none of our Promoters and members of our Promoter Group have an interest in any property acquired by or leased to our Company during the 3 years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired or leased to our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

Particulars	Address	Leased/ Owned	Lessor/ Licensor	Validity
Corporate Office	B-9, Surajmal Vihar, Vikas Marg Extension, Near Leela Ambience Convention Hotel, East Delhi, Delhi - 110092, India.	Rent	Yogita Garg and Anju Garg	February 28, 2026
Additional land used as green belt towards plantation of trees	Khatta No 150/270, Khasara no. 402/355 (11-18), 404/355 (1-0), 406/356 (6-0) situated at Village Salani, Amloh Road, Mandi Gobindgarh, Teh Amloh, Dist. Fatehgarh Sahib.	Lease	Aakanksha Garg	February 28, 2026
Additional land used as green belt towards plantation of trees	Khasra No/ 431/354/3 (0-0-8 1/2) situated at Village Salani, Amloh Road, Mandi Gobindgarh, Teh Amloh Dist Fatehgarh Sahib	Lease	Yogita Garg	February 28, 2026
Additional land used as green belt towards plantation of trees	Khatta No. 150/270. Khasara no. 402/355 (11-18), 404/355(1-0), 406/356(6-0) situated at Village Salani, Amloh Road, Mandi Gobindgarh, Teh Amloh Dist Gatehgarh Sahib	Lease	Yogita Garg	February 28, 2026

Payment or benefits to our Promoters or to the members of our Promoter Group

Except as stated in '*Our Management*' and '*Restated Financial Statements – Note 39 - Related Party Disclosures'* on pages 340 and 421, respectively, there has been no direct or indirect contracts, agreements or any other arrangements pursuant which any amount, payment or benefit paid or given, respectively, by our Company to our Promoters or Promoter Group during 2 years prior to the date of this Draft Red Herring Prospectus and no amount, payment or benefit is intended to be paid or given to any of our Promoters or the members of our Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantees to any third party with respect to the Equity Shares.

Change in the control of our Company

There has been no change in control of our Company in the last five years immediately preceding the date of this Draft Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last 3 years

Except as stated below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Promoter	Name of the Company/ firm disassociated from	Date of disassociation	Reason for and circumstances leading to disassociation and terms of disassociation
1.	Dinesh Garg	Belco Special Steels Private Limited	August 22, 2024	Acquisition of the entire business along with all the property, rights and power, all liabilities, duties assets, benefits and interest of

Sr. No.	Name of the Promoter	Name of the Company/ firm disassociated from	Date of disassociation	Reason for and circumstances leading to disassociation and terms of disassociation
				Belco Special Steels Private Limited by our Company
2.	Lovlish Garg	Belco Special Steels Private Limited	August 22, 2024	Acquisition of the entire business along with all the property, rights and power, all liabilities, duties assets, benefits and interest of Belco Special Steels Private Limited by our Company
		Parkash Multimetals Private Limited	August 22, 2024	Acquisition of the entire business along with all the property, rights and power, all liabilities, duties assets, benefits and interest of Parkash Multimetals Private Limited by our Company
3.	Bhuvnesh Garg	Parkash Multimetals Private Limited	August 22, 2024	Acquisition of the entire business along with all the property, rights and power, all liabilities, duties assets, benefits and interest of Parkash Multimetals Private Limited by our Company

Confirmations

Our Promoters have not been identified as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined in the SEBI ICDR Regulations) or consortium thereof, in accordance with the guidelines issued by Reserve Bank of India.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Promoters nor any of the members of our Promoter Group have not been declared as Wilful Defaulters or Fraudulent Borrowers, as defined in the SEBI ICDR Regulations.

None of our Promoters or Promoter Group has been associated with any company that has been struck-off by the registrar of companies or the Ministry of Corporate Affairs.

There is no litigation or legal or disciplinary action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of this Draft Red Herring Prospectus against our Promoters.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoter Group

In addition to our Promoters, the following persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

Natural persons who are part of the Promoter Group

Name of Promoter	Relationship	Name of the Relative
Parkash Chand Garg	Son	Dinesh Garg
		Rajesh Garg
	Daughter	Pratibha Goyal
		Kiran Garg
	Sister	Urmil Bansal*

Name of Promoter	Relationship	Name of the Relative
	Spouse's Brother	Manohar Lal Jindal
	Spouse's Sister	Madhuneeta Gupta
		Sarita Laxman Bansal
		Rita Aggarwal
Rajesh Garg	Spouse	Anju Garg
	Father	Parkash Chand Garg
	Son	Lovlish Garg
	Daughter	Ridhisha Achal Bansal
	Brother	Dinesh Garg
	Sister	Pratibha Goyal
		Kiran Garg
	Spouse's Mother	Anita Goyal
	Spouse's Brother	Vinod Goyal
Dinesh Garg	Spouse	Yogita Garg
	Father	Parkash Chand Garg
	Son	Bhuvnesh Garg
		Kanav Garg
	Brother	Rajesh Garg
	Sister	Pratibha Goyal
		Kiran Garg
	Spouse's Father	Tirath Ram
	Spouse's Mother	Kanta Rani Kansal
	Spouse's Brother	Gautam Kansal
Lovlish Garg	Spouse	Bhanu Garg
	Father	Rajesh Garg
	Mother	Anju Garg
	Son	Ivansh Garg
	Daughter	Inaya Garg
	Sister	Ridhisha Achal Bansal
	Spouse's Father	Manoj Gupta
	Spouse's Mother	Anju Gupta
	Spouse's Brother	Kanav Gupta
Bhuvnesh Garg	Spouse	Aakanksha Garg
	Father	Dinesh Garg
	Mother	Yogita Garg
	Daughter	Pravya Garg
	Brother	Kanav Garg
	Spouse's Father	Ajay Goel
	Spouse's Mother	Rakhi Goyal
	Spouse's Brother	Aakash Goyal

* *Urmil Bansal is a non-resident Indian and does not hold a permanent account number as on the date of this Draft Red Herring Prospectus*

Entities forming part of the Promoter Group of our Promoters

Sr. No.	Name
1.	Dinesh Kumar Garg HUF
2.	Lovlish Garg HUF
3.	Rajesh Kumar Garg HUF
4.	Narinder Mohan Aggarwal HUF
5.	Achal Parveen Bansal HUF
6.	Vinod Goyal HUF
7.	Manoj Gupta & Sons HUF
8.	Kanav Gupta HUF
9.	Kiruso Living
10.	Banbro Shipbreakers LLP
11.	Bansal Metal Industries

Sr. No.	Name
12.	Mahabir Tradeventures LLP
13.	Medlius Pharma Private Limited
14.	BLC Metals Private Limited
15.	Belco Ispat & Alloys

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and/or approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, the applicable law, including the Companies Act. The dividend policy of our Company was adopted and approved by our Board in its meeting held on April 17, 2025. (**Dividend Policy**).

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 dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, *inter alia*, the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) net operating profit after tax; (ii) accumulated reserves; (iii) working capital requirements; (iv) capital expenditure requirements; (v) resources required to fund acquisitions and/or new businesses; (vi) cash flow required to meet contingencies; (vii) outstanding borrowings; (viii) past dividend trends (whenever applicable); (ix) earnings outlook; (x) expected future capital / liquidity requirements; (xi) any other relevant factors and material events; (xii) prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws; (xiii) dividend pay-out ratios of companies in the same industry; (xiv) any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or of its clients; (xv) Any political, tax and regulatory changes in the geographies in which the Company operates; (xvi) any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model; (xvii) Any changes in the competitive environment requiring significant investment; (xviii) Inflation rate; (xix) cost of external financing; and (xx) any other relevant factors and material events.

In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, taxation and other regulatory changes and restrictive covenants under our future loan or financing documents or arrangements, our Company may enter into finance our fund requirements for our business activities from time to time.

Our Company has not declared any dividends during Fiscal 2025, Fiscal 2024 and Fiscal 2023, and from April 1, 2025, till the date of this Draft Red Herring Prospectus.

The profits earned by our Company may either be retained and used for various purposes by our Company or may be distributed to the Shareholders. Further, our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid of any amount, or with any frequency in the future. For further details in relation to the risk involved, see '*Risk Factor -Our Company has not paid any dividends on Equity Shares in the last 3 Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future.*' on page 72.

SECTION VI: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

(***Remainder of this page has been intentionally left blank***)

Independent Auditors' Examination Report on the "Restated Financial Statements" which comprises of the Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, and the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Cash Flows and Restated Statement of Changes in Equity for each of the years ended March 31, 2025, March 31, 2024 and March 31, 2023, and Statement of material accounting policies and other explanatory information of Behari Lal Engineering Limited (formerly known as Behari Lal Engineering Private Limited)(formerly known as Behari Lal Ispat Private Limited)

To
The Board of Directors
Behari Lal Engineering Limited
(formerly known as Behari Lal Engineering Private Limited)
(formerly known as Behari Lal Ispat Private Limited)
Village Salani, Amloh Road,
Mandi Gobindgarh-147301, Punjab

Dear Sir/ Madam,

1. We, Ashwani & Associates, Chartered Accountants have examined the attached Restated Financial Statements of **Behari Lal Engineering Limited (formerly known as Behari Lal Engineering Private Limited) (formerly known as Behari Lal Ispat Private Limited)** (the "**Company**") comprising the Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31,2023, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the Statement of Significant Accounting Policies, and other explanatory information (collectively, the "**Restated Financial Statements**"), as approved by the Board of Directors of the Company at their meeting held on September 8, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") in connection with proposed Initial Public Offer of equity shares of the Company ("**IPO**") prepared in terms of the requirements of Restated Financial Statements, which have been approved by the Board of Directors of the Company at their meeting held on September 8, 2025 have been prepared in accordance with the requirements of Restated Financial Statements:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "**Act**");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

d) The E-mail dated August 25, 2025 received from Book Running Lead Managers ("**BRLMs**"), which confirms that based on the email dated October 28, 2021 from Securities and Exchange Board of India ("**SEBI**"), to Association of Investment Bankers of India ("**SEBI Email**"), the Company should prepare financial statements in accordance with Indian Accounting Standard (Ind AS) for all the three years (i.e. from financial years 2022-23 to 2024-2025).

Management's Responsibility for the Restated Financial Statements

2. The preparation of the Restated Financial Statements, which are to be included in the DRHP to be filed with Securities and Exchange Board of India ("**SEBI**"), BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"), together with BSE, the "**Stock Exchanges**") in connection with the proposed IPO is the responsibility of the Management of the Company. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Financial Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, the Guidance Note and SEBI Email.

Auditors' Responsibilities

3. We have examined such Restated Financial Statements taking into consideration:

a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated August 9, 2024 in connection with the proposed IPO;

b) the E-mail dated August 25, 2025 received from BRLM's, which confirms that based on SEBI Email, the Company should prepare financial statements in accordance with Indian Accounting Standards (**Ind AS**) for all the three years.

c) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

d) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and

e) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note and the SEBI Email in connection with the IPO.

Restated Financial Statements

4. These Restated Financial Statements have been compiled by the management of the Company from:

a) Audited financial statements of the Company as at and for the year ended March 31, 2025 prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) along with the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable, which was approved by the Board of Directors at their meeting held on September 8, 2025 (the "March 2025 Financial Statements");

b) Audited financial statements of the Company as at and for the year ended March 31, 2024 prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) along with the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable, which was approved by the Board of Directors at their meeting held on September 27, 2024 (the "March 2024 Financial Statements");

c) Audited special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2023 and were approved by the Board of Directors at their meeting held on September 8, 2025 (the "Audited Special Purpose Ind AS Financial Statements"). In March 2024 Financial Statements, year ended March 31, 2024 is the 'first time reporting period', for first time adoption of Indian Accounting Standard (Ind-AS) – notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and accordingly April 01, 2022 is the transition date for preparation of its March 2024 Financial Statements as at and for the year ended March 31, 2024. The March 2024 Financial Statements, were the first financials, prepared in accordance with Ind-AS. Up to the Financial year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 ("Indian GAAP") due to which the Special Purpose Ind AS Financial Statements were prepared to comply with the SEBI Email. The audit report on the Indian GAAP statutory financial Statements for the year ended March 31, 2023 were issued by previous auditor Bansal Jiwan & Associates dated September 5, 2023 (the "Indian GAAP Financial Statements").

Audited Special Purpose Ind AS financial statement of the Company for the year ended March 31, 2023 prepared by the Company in accordance with the Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated September 8, 2025 on this special purpose financial Statements to the Board of Directors who have approved these in their meeting held on September 8, 2025.

The audited financial statements referred to in paragraph (a), (b) and (c) above together hereinafter referred as the "Audited Financial Statements".

5. For the purpose of our examination, we have relied on:

a) Auditors' reports issued by us dated September 8, 2025 for the year ended March 31, 2025 as referred in Paragraph [4a] above; and

b) Auditors' reports issued by us dated September 27, 2024 for the year ended March 31, 2024 as referred in Paragraph [4b] above; and

c) Auditors' Report issued by us dated September 8, 2025 on the Audited Special Purpose Financial Statements of the Company for the year ended March 31, 2023, as referred in Paragraph [4c] above.

6. (a) The audit report on Special Purpose Ind AS Financial Statements of the Company as at and for the year ended March 31, 2023 referred to in paragraph 5(c) above included the following emphasis of matter which did not require any corrections (included in Annexure VI in the attached Restated Financial Statements):

"Emphasis of matter – Basis of preparation and restriction of use

We draw attention to Note 2.1 to the Special Purpose Ind AS Financial Statements, which describes the basis of preparation of these Special Purpose Ind AS Financial Statements stating that these Special Purpose Ind AS Financial Statements have been prepared to comply with the E-mail dated August 25, 2025 received from Book Running Lead Managers. The E-mail confirms that basis the email dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to the Association of Investment Bankers of India ("SEBI Email"), the Company should prepare these Special Purpose Ind AS Financial Statements in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS Financial Statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Our opinion is not modified in respect of this matter."

7. Based on our examination and according to the information and explanations given to us we report that the Restated Financial Statements:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for the financial year ended March 31, 2025 and March 31, 2024;

b) There are no qualifications in the auditors' reports on the March 2025 Financial Statements of the Company as at and for the year ended March 31, 2025, on the March 2024 Financial Statements of the Company as at and for the year ended March 31, 2024 and on the Audited Special Purpose Ind AS Financial Statements of the Company as at and for the year ended March 31, 2023, which require any adjustments to the Restated Financial Statements. However, items relating to emphasis of matter, as referred to in paragraph 6 (a) above which do not require any corrective adjustments in the Restated Financial Statements, have been disclosed in Annexure VI to the Restated Financial Statements; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note and the SEBI email, as applicable.

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2025. Accordingly, we express no opinion on the financial position, results of operations, cash flows and changes in equity of the Company as of any date or for any period subsequent to March 31, 2025.

9. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim Ind AS financial statements, audited financial statements and special purpose financial statements mentioned in paragraph [4] above except expressly disclosed in the restated financial Statements. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, to be filed with SEBI and the Stock Exchanges and use by Book running Lead Managers in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other

purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Ashwani & Associates
Chartered Accountants
Firm's Registration Number: 000497N

Sd/-
Aditya Kumar
M. No. 506955
Partner

Place of Signature: Ludhiana

Date: September 8, 2025

UDIN: 25506955BMMIBN9203

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure - I Restated Statement of Assets and Liabilities
(ALL amounts in INR Million, unless otherwise stated)

	Particulars	Note No.	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
	ASSETS				
1	**Non-current assets**				
	(a) Property, Plant and Equipment	3.1	824.95	670.46	599.56
	(b) Capital work-in-progress	3.3	39.88	35.53	52.68
	(c) Other Intangible assets	3.2	2.10	2.13	-
	(d) Financial assets				
	(i) Investments	4	-	-	29.49
	(ii) Other financial assets	5	86.64	129.27	29.27
	(e) Other non-current assets	6	36.96	5.34	4.14
	Total non-current assets		**990.53**	**842.73**	**715.14**
2	**Current assets**				
	(a) Inventories	7	810.98	623.65	599.12
	(b) Financial assets				
	(i) Investments	8	-	31.88	-
	(ii) Trade receivables	9	783.86	813.39	656.75
	(iii) Cash and cash equivalents	10	24.59	4.71	19.40
	(iv) Bank balances other than (iii) above	11	303.16	286.22	3.49
	(v) Other financial assets	12	27.17	4.81	2.31
	(c) Current tax assets (net)	13	-	-	-
	(d) Other current assets	14	19.48	13.42	36.24
	Total current assets		**1,969.24**	**1,778.08**	**1,317.31**
	TOTAL ASSETS		**2,959.77**	**2,620.81**	**2,032.45**
	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity share capital	15	78.08	48.59	40.00
	(b) Other equity	16	2,338.08	1,861.33	1,126.45
	(c) Equity share capital to be issued pursuant to the scheme of Arrangement for Amalgamation	17	-	29.49	29.49
	Total equity		**2,416.16**	**1,939.40**	**1,195.94**
	Liabilities				
1	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	18	7.56	68.15	303.83
	(b) Provisions	19	9.70	7.15	5.33
	(c) Deferred tax liabilities (net)	20	10.79	24.43	8.66
	Total non-current liabilities		**28.05**	**99.73**	**317.82**
2	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	21	68.21	343.98	332.56
	(ii) Trade payables				
	(A) Total outstanding dues of micro enterprises and small enterprises	22	15.64	19.03	24.21
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		228.54	90.75	90.07
	(iii) Other financial liabilities	23	127.65	48.50	42.08
	(b) Other current liabilities	24	65.78	56.91	23.63
	(c) Provisions	25	6.32	4.49	3.27
	(d) Current tax liabilities (net)	13	3.42	18.02	2.87
	Total current liabilities		**515.56**	**581.68**	**518.69**
	TOTAL EQUITY AND LIABILITIES		**2,959.77**	**2,620.81**	**2,032.45**

Corporate information	1
Material accounting policies	2

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the Restated Financial Statements.

As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
ICAI Firm Registration Number: 000497N

Sd/-
Aditya Kumar
Partner
Membership No. 506955

For and on behalf of the Board of Directors
Behari Lal Engineering Limited
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)

Sd/-
Dinesh Garg
Director
DIN - 00215117

Sd/-
Lovlish Garg
Director
DIN - 02000916

Sd/-
Aakarsh Goyal
Chief Financial Officer

Sd/-
Bhuvnesh Garg
Chief Executive Officer

Sd/-
Sanjeev Kumar Sehgal
Company Secretary and Compliance Officer
Membership No. A68134

Place : Ludhiana
Date : September 8, 2025

Place : Ludhiana
Date : September 8, 2025

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure - II Restated Statement of Profit and Loss
(ALL amounts in INR Million, unless otherwise stated)

	Particulars	Note No.	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
	Income:				
I	Revenue from operations	26	5,079.12	4,460.84	4,629.28
II	Other income	27	83.87	38.74	45.34
III	**Total Income (I+II)**		**5,162.99**	**4,499.58**	**4,674.62**
IV	**Expenses:**				
	Cost of materials consumed	28	2,716.46	2,745.21	3,236.52
	Purchase of stock-in-trade		291.93	153.04	100.24
	Changes in inventories of finished goods, work in progress and stock in trade	29	(125.41)	(50.93)	(65.77)
	Employee benefits expense	30	326.14	187.29	165.74
	Finance cost	31	13.58	23.09	33.83
	Depreciation and amortization expense	3	105.91	87.58	77.36
	Other expenses	32	1,140.75	855.11	744.45
	Total expenses (IV)		**4,469.36**	**4,000.39**	**4,292.37**
V	**Profit before exceptional items and tax (III-IV)**		693.63	499.19	382.25
VI	**Exceptional items**		-	-	-
VII	**Profit before tax (V-VI)**		693.63	499.19	382.25
VII	**Tax expense:**				
	Current tax		175.45	125.54	94.86
	Deferred tax		(13.49)	15.58	(1.61)
	Earlier Year Tax		2.16	0.16	0.99
	Total tax expense (VIII)	33	**164.12**	**141.28**	**94.24**
IX	**Profit for the period (VII-VIII)**		529.51	357.91	288.01
X	**Other Comprehensive Income / (loss)**				
A	Items that will not be reclassified to profit or loss				
i)	Remeasurement gain/(loss) of defined benefit obligation		(0.62)	0.75	2.40
ii)	Income tax relating to items that will not be reclassified to profit or loss	33	0.16	(0.19)	(0.60)
	Total other comprehensive income/(loss) for the year, net of tax (X)		**(0.46)**	**0.56**	**1.80**
XI	**Total Comprehensive Income for the period (IX+X)**		**529.05**	**358.47**	**289.81**
XII	**Earnings per equity share of ₹10/- each (Without adjusting for bonus shares)**	34			
	- Basic ₹		67.82	50.33	41.45
	- Diluted ₹		67.82	50.33	41.45
	Weighted average equity shares used in computing earnings per equity share (refer note no. 34)				
	- Basic		78,07,865	71,10,917	69,49,000
	- Diluted		78,07,865	71,10,917	69,49,000
	Earnings per equity share of ₹10/- each (After adjusting for bonus shares)				
	- Basic ₹		13.56	10.07	8.29
	- Diluted ₹		13.56	10.07	8.29
	Weighted average equity shares used in computing earnings per equity share (refer note no. 34)				
	- Basic		3,90,39,325	3,55,54,586	3,47,45,000
	- Diluted		3,90,39,325	3,55,54,586	3,47,45,000

Corporate information	1	
Material accounting policies	2	

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the Restated Financial Statements.

As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
Firm Registration Number: 000497N

Sd/-
Aditya Kumar
Partner
Membership No. 506955

For and on behalf of the Board of Directors
Behari Lal Engineering Limited
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)

Sd/-
Dinesh Garg
Director
DIN - 00215117

Sd/-
Lovlish Garg
Director
DIN - 02000916

Sd/-
Aakarsh Goyal
Chief Financial Officer

Sd/-
Bhuvnesh Garg
Chief Executive Officer

Sd/-
Sanjeev Kumar Sehgal
Company Secretary and Compliance Officer
Membership No. A68134

Place : Ludhiana
Date : September 8, 2025

Place : Ludhiana
Date : September 8, 2025

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure - III Restated Statement of Cash Flows
(ALL amounts in INR Million, unless otherwise stated)

Particulars	For the year ended 31-Mar-2025		For the year ended 31-Mar-2024		For the year ended 31-Mar-2023	
Cash flow from operating activities						
Profit before tax		**693.62**		**499.19**		**382.25**
Adjustments for:						
Depreciation and amortisation expense	105.92		87.58		77.36	
Unrealised foreign exchange (Gain)/Loss on foreign currency rate fluctuation	(1.16)		1.19		1.26	
Net (Gain)/Loss on fair valuation of investments measured at fair value through profit or loss	-		(2.40)		(3.10)	
Net (Gain)/Loss on sale of Investment	(4.60)		-		-	
Liabilities no longer required written back	(0.50)		(0.73)		-	
Sundry Balances Written off	0.27		-		-	
Net (Gain)/Loss on Property, plant and equipment sold and held for sale	(0.70)		0.98		(0.02)	
Interest expense	13.61		23.09		33.83	
Interest income	(31.83)		(12.72)		(3.09)	
Allowance for expected credit loss and doubtful receivables	1.21					
Interest on MSME	0.01					
		82.22		96.99		106.24
Operating profit before working capital changes		**775.84**		**596.18**		**488.49**
Changes in working capital:						
Increase/(Decrease) in trade payables and other liabilities	226.82		39.15		(42.22)	
Decrease/(Increase) in trade and other receivables	(6.41)		(128.81)		(167.29)	
Decrease/(Increase) in inventories	(187.34)		(24.53)		(55.21)	
		33.07		(114.19)		(264.72)
Cash generated from/(used in) operations		**808.91**		**481.99**		**223.77**
Income tax paid (net)		(190.05)		(110.55)		(89.94)
Net cash flow from/(used in) operating activities (A)		**618.86**		**371.44**		**133.83**
Cash flow from investing activities						
Purchase of property, plant and equipment including intangible assets and Capital work in progress		(265.03)		(148.45)		(216.68)
Proceeds from sale of property, plant and equipment		5.00		0.02		0.45
Interest received		31.83		12.72		3.09
Net payments for capital advances		(31.62)		(5.34)		-
Sale of Investment		36.48		-		
Bank balances not considered as cash and cash equivalents:						
(Increase)/Decrease in deposit with banks, having original maturity more than three months but less than twelve months		284.69		(285.26)		-
(Increase)/Decrease in deposit with banks, having original maturity more than twelve months		43.53		(100.00)		-
(Increase)/Decrease in deposit with banks, having original maturity more than twelve months but remaining maturity of less than twelve months		(301.63)		2.53		0.46
Net cash flow from/(used in) investing activities (B)		**(196.75)**		**(523.78)**		**(212.68)**
Cash flow from financing activities						
Proceeds from issuance of share capital		-		385.00		-
Proceeds/ (Repayment) from non current borrowings		(3.66)		(237.64)		27.22
Proceeds/(Repayment) of current borrowings		(275.76)		11.42		97.94
Interest paid		(18.81)		(21.13)		(31.94)
Advances against redemption of Prefernce Share Capital		(104.00)		-		
Net cash flow from/(used in) financing activities (C)		**(402.23)**		**137.65**		**93.22**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**19.88**		**(14.69)**		**14.37**
Cash and cash equivalents at the beginning of the period		4.71		19.40		5.03
Cash and cash equivalents at the end of the period *		**24.59**		**4.71**		**19.40**

*** Components of Cash and Cash Equivalents**

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Balances with banks in bank accounts	1.87	0.62	17.37
Cash on hand	1.53	4.09	2.03
Cheque in hand	21.19	-	-
Cash and Cash Equivalents (Refer Note 10)	**24.59**	**4.71**	**19.40**

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the Restated Financial Statements.

As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
Firm Registration Number: 000497N

Sd/-
Aditya Kumar
Partner
Membership No. 506955

Place : Ludhiana
Date : September 8, 2025

For and on behalf of the Board of Directors
Behari Lal Engineering Limited
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)

Sd/-
Dinesh Garg
Director
DIN - 00215117

Sd/-
Lovlish Garg
Director
DIN - 02000916

Sd/-
Aakarsh Goyal
Chief Financial Officer

Sd/-
Bhuvnesh Garg
Chief Executive Officer

Sd/-
Sanjeev Kumar Sehgal
Company Secretary and Compliance Officer
Membership No. A68134

Place : Ludhiana
Date : September 8, 2025

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure - IV Restated Statement of Changes in Equity
(ALL amounts in INR Million, unless otherwise stated)

A. Equity Share capital

(1) For the period ended March 31, 2025

Balance as at beginning of the current period 01/04/2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current period	Balance as at the end of the current year 31/03/2025
48.59	-	48.59	29.49	78.08

(2) For the year ended March 31,2024

Balance as at beginning of the current year 01/04/2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at the end of the current year 31/03/2024
40.00	-	40.00	8.59	48.59

(3) For the year ended March 31,2023

Balance as at beginning of the previous year 01/04/2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at the end of the previous year 31/03/2023
40.00	-	40.00	-	40.00

B. Other Equity

(1) For the year ended March 31, 2025

Statement of changes in Other Equity for the period ended 31-Mar-2025							
Particulars	**Other equity**						
		Reserves and Surplus					**Total**
	Equity Component of Compound financial Instruments	Capital reserve	Securities premium	Retained Earnings	Capital Redemption Reserve	Remeasurement of Defined benefit obligation	
Balance as at beginning of the current period 01/04/2024	52.30	4.90	460.25	1,340.46	-	3.42	1,861.33
Remeasurement gain/(loss) of defined benefit obligation (net of income tax)	-	-	-	-		(0.46)	(0.46)
Premium on shares issued during the year	-	-	-	-		-	-
Profit for the year transferred from statement of profit and	-	-	-	529.51	-		529.51
Reversal of Equity Component on Redemption of Preference Shares	(52.30)						(52.30)
Transfer to capital redemption reserve on redemption proposed of preference shares (Refer footnote of note no. 19)	-	-	-	(104.00)	104.00	-	-
Balance as at the end of the current period 31/03/2025	-	4.90	460.25	1,765.97	104.00	2.96	2,338.08

(2) For the year ended March 31, 2024

Statement of changes in Other Equity for the year ended 31-Mar-2024							
Particulars	**Other equity**						
		Reserves and Surplus					**Total**
	Equity Component of Compound financial Instruments	Capital reserve	Securities premium	Retained Earnings	Capital Redemption Reserve	Remeasurement of Defined benefit obligation	
Balance as at beginning of the previous year 01/04/2023	52.30	4.90	83.84	982.55	-	2.86	1,126.45
Remeasurement gain/(loss) of defined benefit obligation (net of income tax)	-	-	-	-	-	0.56	0.56
Premium on shares issued during the year	-	-	376.41	-	-	-	376.41
Profit for the year transferred from statement of profit and	-	-	-	357.91	-	-	357.91
Balance as at the end of the previous year 31/03/2024	52.30	4.90	460.25	1,340.46	-	3.42	1,861.33

(3) For the year ended March 31,2023

Statement of changes in Other Equity for the year ended 31-Mar-2023							
Particulars	**Other equity**						
		Reserves and Surplus					**Total**
	Equity Component of Compound financial Instruments	Capital reserve	Securities premium	Retained Earnings*	Capital Redemption Reserve	Remeasurement of Defined benefit obligation	
Balance as at beginning of the previous year 01/04/2022 (Post Merger)	52.30	4.90	83.84	694.54	-	1.06	836.64
Remeasurement gain/(loss) of defined benefit obligation (net of income tax)	-	-	-	-	-	1.80	1.80
Profit for the year transferred from statement of profit and	-	-	-	288.01	-	-	288.01
Balance as at the end of the previous year 31/03/2023	52.30	4.90	83.84	982.55	-	2.86	1,126.45

* refer note no. 49

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure - IV Restated Statement of Changes in Equity
(ALL amounts in INR Million, unless otherwise stated)

C. Equity share capital to be issued pursuant to the scheme of Arrangement for Amalgamation*

(1) For the period ended March 31, 2025

Balance as at beginning of the current period 01/04/2024	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the current year/ Transfer to Equity Share	Restated balance at the beginning of the current reporting period	Balance as at the end of the current year 31/03/2025
29.49	-	(29.49)	29.49	-

(2) For the year ended March 31, 2024

Balance as at beginning of the current year 01/04/2023	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the current year	Restated balance at the beginning of the current reporting period	Balance as at the end of the current year 31/03/2024
29.49	-	-	29.49	29.49

(3) For the year ended March 31,2023

Balance as at beginning of the previous year 01/04/2022	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the current year	Restated balance at the beginning of the current reporting period	Balance as at the end of the previous year 31/03/2023
29.49	-	-	29.49	29.49

* refer note no. 49

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the Restated Financial Statements.

As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
Firm Registration Number: 000497N

Sd/-
Aditya Kumar
Partner
Membership No. 506955

Place : Ludhiana
Date : September 8, 2025

For and on behalf of the Board of Directors
Behari Lal Engineering Limited
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)

Sd/-
Dinesh Garg
Director
DIN - 00215117

Sd/-
Lovlish Garg
Director
DIN - 02000916

Sd/-
Aakarsh Goyal
Chief Financial Officer

Sd/-
Bhuvnesh Garg
Chief Executive Officer

Sd/-
Sanjeev Kumar Sehgal
Company Secretary and Compliance Officer
Membership No. A68134

Place : Ludhiana
Date : September 8, 2025

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
(CIN: U27109PB1995PLC016490)

Annexure V - Material accounting policies and other explanatory Notes to Restated Financial Statements
(All amount in INR million, unless otherwise stated)

1. Corporate Information

BEHARI LAL ENGINEERING LIMITED (Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED) ("the Company") (CIN: U27109PB1995PLC016490) *(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED from 4th September, 2024 to 20th September, 2024) (Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED till 3rd September, 2024)* is an unlisted public company domiciled in India and incorporated under the provisions of Companies Act. The registered office of the Company is situated at Village- Salani Amloh Road, Mandi Gobindgarh, Punjab, India-147301. The Company is engaged in the business of manufacturing and trading of Iron and Steel products such as Ingot, Steel Casting, Metal Rolls and Alloy and Non-Alloy Round, Flat, Hex and Square etc.

The Restated Financial Statements are approved for issue by Companies Board of Directors on **September 8, 2025.**

2. A. Material accounting policies / critical accounting estimates and judgements

I. Basis of preparation of restated financial statements

The Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the statement of material accounting policies and other explanatory information of Behari Lal Engineering Limited (formerly known as Behari Lal Engineering Private Limited) (formerly known as Behari Lal Ispat Private Limited) (collectively, the "Restated Financial Statements").
These Restated Financial Statements have been prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") proposed to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company (the "Offer"), which comprises a fresh issue of equity shares and an offer for sale by certain existing shareholders of the Company. The Restated Financial Statements have been prepared in accordance with the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") as amended;
(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations");
(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note"); and

d) The E-mail dated **August 25, 2025** received from Book Running Lead Managers ("BRLMs"), which confirms that based on the email dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India ("SEBI Email"), the Company should prepare financial statements in accordance with Indian Accounting Standards (Ind AS) for all the three years.

These Restated Financial Statements have been compiled by the Management from:

(a) Audited financial statements of the Company as at and for the year ended March 31, 2025 prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) along with the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable, which was approved by the Board of Directors at their meeting held on **September 8, 2025**.

(b) Audited financial statements of the Company as at and for the year ended March 31, 2024 prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) along with the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable, which was approved by the Board of Directors at their meeting held on **September 27, 2024** (the "March 2024 Financial Statements"); and

(c) Audited special purpose Ind AS financial statements of the Company as at and for the years ended March 31, 2023, which were prepared by the Company after taking into the consideration the requirements of the SEBI Email and were approved by the Board of Directors at their meeting held on **September 8, 2025** (the "Special Purpose Financial Statements").

In March 2024 Financial Statements, year ended March 31, 2024 is the 'first time reporting period', for first time adoption of Indian Accounting Standard (Ind-AS) – notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and accordingly April 01, 2022 is the transition date for preparation of its March 2024 Financial Statements as at and for the year ended March 31, 2024. The March 2024 Financial Statements, were the first financials, prepared in accordance with Ind-AS. Up to the Financial year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 ("Indian GAAP") due to which the Special Purpose Ind AS Financial Statements were prepared to comply with the SEBI Email. The Indian GAAP statutory financial Statements for the year ended March 31, 2023 were approved by the Board of Directors at their meeting held on **September 5, 2023** (the "Indian GAAP Financial Statements").

The Special Purpose Financial Statements have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS - 101) consistent with that used at the date of transition (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended March 31, 2025 and pursuant to the SEBI Email.

The audited financial statements referred to in paragraph (a), (b) and (c) above together hereinafter referred as the, "Audited Financial Statements" unless otherwise stated.

The Restated Financial Statements are presented in Indian Rupee (INR) and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

II. Functional and presentation currency

Items included in the Restated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Restated Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

III. Basis of measurement

The restated financial statements have been prepared under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The company has prepared the Restated Financial Statements on the basis that it will continue to operate as a going concern.

IV. Use of estimates and judgements

The preparation of restated financial statements, in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the restated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and use of assumptions in these restated financial statements have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the restated financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the restated financial statements.

V. Current versus Non- current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle.

a. Held primarily for the purpose of trading.
b. Expected to be realized within twelve months after the reporting period, or
c. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A Liability is treated as current when:

a. It is expected to be settled in normal operating cycle.
b. It is held primarily for the purpose of trading.
c. It is due to be settled within twelve months after the reporting period, or
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

VI. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the restated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 —Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognized in the restated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares financial instruments
- Financial instruments

VII. Business combination under common control

The composite Scheme of Arrangement (‘Scheme’) under section 230 to 232 and other applicable provisions of the Companies Act 2013 and the provisions of other applicable laws, amongst the Company M/s Behari Lal Engineering Limited (BLEL) (Formerly Known as Behari Lal Engineering Private Limited) (Formerly known as Behari Lal Ispat

Private Limited) "Transferee Company", M/s Belco Special Steels Private Limited (BSSPL) "Transferor Company 1" and M/s Parkash Multimetals Private Limited (PMPL) "Transferor Company 2" and their respective shareholders and creditors ("Scheme").The Scheme has been approved by the Hon'ble Chandigarh Bench (Court II) of National Company Law Tribunal ("NCLT") vide its order dated 22th August 2024, the certified copy of the NCLT order has been filled with Registrar of Companies, Chandigarh on 25th September 2024 and the Scheme has come into effect accordingly. The Scheme is effective from the Appointed Date i.e. 1 April, 2022. The effects of the Scheme have been incorporated in the financial statements for the year ended 31st March 2024.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonize the accounting policies. The financial information in the restated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the restated financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the restated financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

VIII. Property, plant and equipment

On transition to Ind AS, the company has adopted optional exception under Ind AS 101 to continue with the carrying value for all of its Property, Plant and Equipment as recognized in the restated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost.

All items of property, plant and equipment are stated at cost less accumulated depreciation and impairment if any. Freehold land is stated at cost and not depreciated. The Cost of an item of Property, Plant and Equipment comprises:

- Its purchase price net of recoverable taxes wherever applicable and any attributable expenditure (directly or indirectly) for bringing the asset to its working condition for its intended use.
- Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any, the obligation for which an entity incurs either where the item is acquired or as a consequence of having used the item

during a particular period for purposes other than to produce inventories during that period.

Depreciation on property, plant and equipment has been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except the following cases:

Category	Useful Life
Plant and Machinery and Solar Power Plant	20 to 40 years
Office Equipment	5 to 10 years
Electrical Installation	10 to 20 years
Lab Equipment and Spectrometer	10 to 20 years

Depreciation is calculated on pro-rata basis from the date of installation till the date the asset is sold or discarded.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under Capital work-in-progress. The depreciation method, useful lives and residual value are reviewed periodically and at the end of each reporting period.

IX. Intangible Assets

Intangible assets are stated at cost less accumulated amount of amortisation and impairment if any. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence etc. The amortization method, estimated useful lives are reviewed periodically and at end of each reporting period.

X. Impairment of Non-financial assets

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

XI. Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stores is computed on FIFO basis plus direct expenditure, Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

XII. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expense in the period in which they are incurred.

XIII. Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A present obligation that arises from past events where it is neither probable that an outflow of resources will be required to settle nor a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized in restated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

XIV. Foreign currency translation

Items included in the restated financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The restated financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

Foreign currency translations are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

XV. Revenue recognition

(i) Revenue from sale of goods and services

The Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers'.

Revenue from sale of products is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in a contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the Government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts.

"To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied."

Use of significant Judgements in Revenue Recognition

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as volume discounts, price concessions, incentives etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The Company assesses its revenue arrangements against specific recognition criteria's like exposure to the significant risks and rewards associated with the sale of goods. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its customers are reviewed to determine each party's respective role in the transaction.

Contract Balances

a. Contract Assets

Revenue earned but not billed to customers against sale of goods and services is reflected as Contract assets because the receipt of consideration is conditional on Company's performance under the contract (i.e. transfer control of related goods or services to the customer). Upon completion and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.
Contract assets are subject to impairment assessment. Refer to the accounting policies on impairment of financial assets in Section XIX Financial instruments – initial recognition and subsequent measurement.

b. Trade Receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of financial assets in Section XIX Financial instruments – initial recognition and subsequent measurement.

ii) Export incentives

The revenue in respect of export benefits is recognised on post export basis at the rate at which the entitlements accrued.

XVI. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Claims receivables on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

XVII. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the restated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

Goods and service taxes (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service taxes paid, except:
- when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- when receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or liabilities in the balance sheet.

XVIII. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

XIX. Financial instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI:
A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:
A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Investment in Equity Shares:
Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.
Dividends on equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

Classification and Subsequent Measurement: Financial liabilities:
The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL:
Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:
Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings

Impairment of financial assets:
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralized borrowing for the proceeds received.

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

XX. Leases

The Company as a lessee

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease.

XXI. Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, short term compensated absence and ex-gratia including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the balance sheet.

(ii) Post-employment obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets (if any). The defined benefit obligation is calculated annually as per Valuation report given by Actuary on the basis of Guidance issued by The Actuarial Society of India.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has not further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

XXII. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the restated financial statements for issue, not to demand payment as a consequence of the breach.

XXIII. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing: The profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would been outstanding assuming the conversion of all dilutive potential equity shares.

XXIV. Assets Held for Sale;

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

In view of the management, the current assets (financial & other) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

XXV. Events occurring after balance sheet date

In case of a major adjusting event which has occurred after balance sheet date but before the date of approval of balance sheet and conditions for the same are existed at the end of the reporting period. The event is treated as adjusting event and the appropriate effect of the same is taken in all financial years reported.

XXVI. Government Grants

The government grants are recognised only when there is a reasonable assurance of compliance that conditions attached to such grants shall be complied with and it is reasonably certain that the ultimate collection will be made.

When the government grant relates to an asset, the asset is disclosed by deducting that grant in arriving at the carrying amount of that asset.

Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

XXVII. Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

B. **Critical Accounting Estimates and Judgements**

1. Useful life of Property, Plant and Equipment and Intangible Assets:

Management reviews the useful lives of depreciable assets at each reporting date. As at every reporting period management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives of depreciable assets.

2. Defined Benefit Plans:

The cost of the defined benefit plan and other postemployment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

XXVIII. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 117 - Insurance Contracts and Ind AS 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure- VI Notes forming part of these Restated Financial Statements
(ALL amounts in INR Million, unless otherwise stated)

3.1 Property, Plant And Equipment

Particulars	Freehold Land	Building	Plant & Machinery	Furniture & Fixture	Vehicles	Office Equipments	Solar Power Plant	Grand Total
Gross Carrying Amount (Cost/Deemed Cost)								
Carrying Amount as at April 1, 2022	**50.24**	**51.18**	**374.27**	**1.04**	**9.31**	**3.12**	**18.43**	507.59
Additions during the year	-	-	158.88	1.11	2.68	7.09	-	169.76
Disposals during the year	-	-	(0.43)	-	-	-	-	(0.43)
Balance as at March 31, 2023	**50.24**	**51.18**	**532.72**	**2.15**	**11.99**	**10.21**	**18.43**	**676.92**
Additions during the year	-	-	116.37	1.45	6.03	3.80	35.40	163.05
Disposals during the year	-	-	(11.58)	-	(0.05)	-	-	(11.63)
Balance as at March 31, 2024	**50.24**	**51.18**	**637.51**	**3.60**	**17.97**	**14.01**	**53.83**	**828.34**
Additions during the period	13.85	17.75	217.39	3.06	3.63	4.09	0.43	260.20
Disposals during the period	-	-	(0.45)	-	-	-	-	(0.45)
Balance as at March 31, 2025	**64.09**	**68.93**	**854.45**	**6.66**	**21.60**	**18.10**	**54.26**	**1,088.09**
Accumulated Depreciation								
Balance as at April 1, 2022								
Depreciation for the year	-	4.86	63.40	0.39	3.20	2.95	2.56	**77.36**
Disposals during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	**-**	**4.86**	**63.40**	**0.39**	**3.20**	**2.95**	**2.56**	**77.36**
Depreciation for the year	-	4.40	71.30	0.57	2.84	4.64	3.40	**87.15**
Disposals during the year	-	-	(6.59)	-	(0.04)	-	-	**(6.63)**
Balance as at March 31, 2024	**-**	**9.26**	**128.11**	**0.96**	**6.00**	**7.59**	**5.96**	**157.88**
Depreciation for the period	-	4.96	84.40	1.07	4.39	3.90	6.69	105.41
Disposals during the period	-	-	(0.15)	-	-	-	-	(0.15)
Balance as at March 31, 2025	**-**	**14.22**	**212.36**	**2.03**	**10.39**	**11.49**	**12.65**	**263.14**
Net Carrying Amount as on March 31, 2025	**64.09**	**54.71**	**642.09**	**4.63**	**11.21**	**6.61**	**41.61**	**824.95**
Net Carrying Amount as on March 31, 2024	**50.24**	**41.92**	**509.40**	**2.64**	**11.97**	**6.42**	**47.87**	**670.46**
Net Carrying Amount as on March 31, 2023	**50.24**	**46.32**	**469.32**	**1.76**	**8.79**	**7.26**	**15.87**	**599.56**

Annexure- VI Notes forming part of these Restated Financial Statements
(ALL amounts in INR Million, unless otherwise stated)

3.2 Other Intangible assets

Particulars	Computer Software	Grand Total
Gross Carrying Amount (Cost/Deemed Cost)		
Balance as at April 1, 2022	**-**	**-**
Additions	**-**	-
Disposals/Adjustments	**-**	-
Balance as at March 31, 2023	-	**-**
Additions	2.55	2.55
Disposals/Adjustments	**-**	**-**
Balance as at March 31, 2024	**2.55**	**2.55**
Additions	0.48	0.48
Disposals/Adjustments	-	**-**
Balance as at March 31, 2025	**3.03**	**3.03**
Accumulated Depreciation		
Balance as at April 1, 2022	-	**-**
Amortization expense for the period	**-**	-
On Disposals/Adjustments	**-**	**-**
Balance as at March 31, 2023	-	**-**
Amortization expense for the period	0.43	0.43
On Disposals/Adjustments	**-**	**-**
Balance as at March 31, 2024	**0.43**	**0.43**
Amortization expense for the period	0.50	0.50
On Disposals/Adjustments	-	**-**
Balance as at March 31, 2025	**0.93**	**0.93**
		-
Net Carrying Amount as on March 31, 2025	**2.10**	**2.10**
Net Carrying Amount as on March 31, 2024	**2.13**	**2.13**
Net Carrying Amount as on March 31, 2023	-	**-**

3.3 Capital work-in-progress

Particulars	Building under Construction	Furniture under Installation	Machinery Under Installation	Grand Total
Gross Carrying Amount				
Balance as at April 1, 2022	0.89	-	4.88	5.77
Additions	0.01	-	86.68	86.69
Capitalized	-	-	(39.78)	(39.78)
Balance as at March 31, 2023	**0.90**	**-**	**51.78**	**52.68**
Additions	-	-	34.78	34.78
Capitalized	-	-	(51.93)	(51.93)
Balance as at March 31, 2024	**0.90**	**-**	**34.63**	**35.53**
Additions	16.85	0.19	188.83	205.87
Capitalized	(17.75)	(0.19)	(183.58)	(201.52)
Balance as at March 31, 2025	**0.00**	**-**	**39.88**	**39.88**

-The ageing for Capital work in progress (CWIP) is as follows

a) CWIP ageing schedule

CWIP	Amount in CWIP for the year ended on 31st March, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	38.76	1.12	-	-	39.88
Projects temporarily suspended	-	-	-	-	-

CWIP	Amount in CWIP for the year ended on 31st March, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	34.63		0.90	-	35.53
Projects temporarily suspended	-	-	-	-	-

CWIP	Amount in CWIP for the year ended on 31st March, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	52.68	-	-	-	52.68
Projects temporarily suspended	-	-	-	-	-

b) There is no instance of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes:-
1. No Borrowing Cost as on 31.03.2025 (₹ Nil 31.03.2024 and ₹ Nil as on 31.03.2023) has been capitalised during the year.
2. The detail of assets which have been hypothecated/ mortgaged to secure borrowings of the Company as per note no. 18 & 21.

Annexure- VI Notes forming part of these Restated Financial Statements
(ALL amounts in INR Millions, unless otherwise stated)

4 Investments-Non Current

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Investment carried at fair value through Profit & Loss (FVTPL)			
Investment in Equity Instruments			
i. Unquoted (fully paid up)			
(1) M/s BLC Metals Pvt Ltd	-	-	29.49
Fully paid up equity shares of ₹ 10 each of M/s BLC Metals Pvt Ltd			
(Mar 31,2025 year: Nil, March 31, 2024 year: Nil and March 31,2023: 44,000)			
Total	**-**	**-**	**29.49**
Aggregate amount of quoted investments and market value of quoted investments	**-**	-	-
Aggregate amount of unquoted investments	**-**	-	29.49
Aggregate amount of impairment in value of investment	**-**	-	-

5 Other financial assets - Non Current
(Unsecured, Considered good and otherwise stated)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Security deposits	30.17	29.27	29.27
Fixed deposits account with remaining maturity of more than twelve months	56.00	100.00	-
Balances with banks in earmarked accounts to the extent held as margin money against borrowings and other commitments			
Fixed deposits account with remaining maturity of more than twelve months	0.47	-	-
Total	**86.64**	**129.27**	**29.27**

****Note: Security deposits are maintained primarily for securing utility connections, to service providers, and other parties:**

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Interest bearing securitites with indefinite period			
-Security for electricity connection	28.53	27.75	27.75
Non-Interest bearing securitites with indefinite period			
-Security for other utilities	1.49	1.38	1.38
-Others	0.15	0.14	0.14
Total	**30.17**	**29.27**	**29.27**

6 Other Non current assets
(Unsecured, Considered good and otherwise stated)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Capital advances	36.96	5.34	4.14
Total	**36.96**	**5.34**	**4.14**

7 Inventories
(At lower of cost and net realisable value)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Raw Material (including ₹ 6.33/- Million as at 31.03.2025, ₹ 4.75/- Million as at 31.03.2024 and ₹ Nil as at 31.03.2023 in transit)	257.94	205.74	244.24
Work in Process	210.34	172.33	-
Finished Goods (including ₹ 24.56/- Million as at 31.03.2025, ₹ Nil as at 31.03.2024 and ₹ Nil as at 31.03.2023 in transit)	219.03	148.01	274.46
Stock in Trade (including ₹ Nil as at 31.03.2025, ₹ 0.34/- Million as at 31.03.2024 and ₹ Nil as at 31.03.2023 in transit)	20.45	2.74	-
Stores & Spares (including ₹ Nil as at 31.03.2025, ₹ 1.19/- Million as at 31.03.2024 and ₹ Nil as at 31.03.2023 in transit)	102.25	92.52	80.42
Scrap	0.97	2.31	-
Total	**810.98**	**623.65**	**599.12**

Raw Material Includes Stock Lying at third party ₹ 4.85/- Million as on 31.03.2025, ₹ Nil as on 31.03.2024 and ₹ Nil as on 31.03.2023.
Work in Process Includes Stock Lying at third party ₹ 52.06/- Million as on 31.03.2025, ₹ 46.86 Millions as on 31.03.2024 and ₹ Nil as on 31.03.2023
Finished Goods Includes Stock Lying at third party ₹ 0.18/- Million as on 31.03.2025, ₹ 2.42 Millions as on 31.03.2024 and ₹ 38.54 Millions as on 31.03.2023
Stores & Spares Includes Stock Lying at third party ₹ Nil/- as on 31.03.2025, ₹ Nil as on 31.03.2024 and ₹ Nil as on 31.03.2023.
All inventories of company have been hypothecated to secure borrowings of the company (refer note no. 18 & 21).

8 Investments-Current

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Investment carried at fair value through Profit & Loss (FVTPL)			
Investment in Equity Instruments			
i. Unquoted (fully paid up)			
(1) M/s BLC Metals Pvt Ltd	-	31.88	-
Fully paid up equity shares of ₹ 10 each of M/s BLC Metals Pvt Ltd			
(Mar 31,2025 year: Nil, March 31, 2024 year: 44000 and March 31,2023: Nil)			
Total	**-**	**31.88**	**-**
Aggregate amount of quoted investments and market value of quoted investments		-	-
Aggregate amount of unquoted investments	-	31.88	-
Aggregate amount of impairment in value of investment	-	-	-

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9 Trade receivables

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Trade receivables considered good - Secured	-	-	-
Trade receivables considered good - Unsecured	790.00	813.39	656.75
Trade receivables which have significant increase in Credit Risk	1.21	-	-
Trade receivables- credit impaired	-	-	-
	791.21	**813.39**	**656.75**
Less: Contract Assets {Refer Note No. 12}	(6.14)	-	-
Less: Allowances for expected credit loss and doubtful receivables	(1.21)	-	-
Total	**783.86**	**813.39**	**656.75**

All book debts have been hypothecated to secure borrowings of the company (refer note no. 18 & 21).

Note No. 9 Trade receivables (Continued)
Trade receivables ageing schedule as on 31.03.2025

Particulars	Outstanding for following periods from the date of transaction*						Total
	Not due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	769.63	6.44	7.79	-	-	783.86
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	0.60	0.61	-	1.21
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**-**	**769.63**	**6.44**	**8.39**	**0.61**	**-**	**785.07**
Less: Allowances for expected credit loss and doubtful receivables							**1.21**
Total Trade receivables							**783.86**

* There are no specific due date of payment specified in respect of trade receivables, as such the trade receivables ageing schedule is prepared on the basis of date of transaction.

Trade receivables ageing schedule as on 31.03.2024

Particulars	Outstanding for following periods from the date of transaction*						Total
	Not due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	786.10	20.38	6.29	0.61	-	813.39
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**-**	**786.10**	**20.38**	**6.29**	**0.61**	**-**	**813.39**
Less: Allowances for expected credit loss and doubtful receivables							**-**
Total Trade receivables							**813.39**

* There are no specific due date of payment specified in respect of trade receivables, as such the trade receivables ageing schedule is prepared on the basis of date of transaction.

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Trade receivables ageing schedule as on 31.03.2023

Particulars	**Outstanding for following periods from the date of transaction***						**Total**
	Not due	**Less than 6 months**	**6 months to 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	
(i) Undisputed Trade receivables - considered good	-	652.90	3.24	0.61	-	-	656.75
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-		-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**-**	**652.90**	**3.24**	**0.61**	**-**	**-**	**656.75**
Less: Allowances for expected credit loss and doubtful receivables							**-**
Total Trade receivables							**656.75**

* There are no specific due date of payment specified in respect of trade receivables, as such the trade receivables ageing schedule is prepared on the basis of date of transaction.

The following is the detail of allowance for lifetime expected credit loss:

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Allowances for expected credit loss and doubtful receivables			
-Balance at the beginning of the period	-	-	-
-Impairment loss recognized	-	-	-
-Expected credit loss	1.21	-	-
-Amount written off	-	-	-
-Balance at the end of the period	1.21	-	-

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10 Cash and cash equivalents

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Balances with banks			
- In bank accounts	1.87	0.62	17.37
Cash on hand	1.53	4.09	2.03
Cheques In Hand	21.19	-	-
Total	**24.59**	**4.71**	**19.40**

11 Other Bank Balances

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Balances with banks			
-Fixed deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	150.01	-	-
-Fixed deposits with original maturity of more than three months but less than twelve months	-	150.00	-
Balances with banks in earmarked accounts to the extent held as margin money against borrowings and other			
-Fixed deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	152.58	0.96	3.49
-Fixed deposits with original maturity of more than three months but less than twelve months	0.57	135.26	-
Total	**303.16**	**286.22**	**3.49**

12 Other Financial Assets - Current
(Unsecured considered good)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Interest receivable	12.95	2.33	0.15
Advances to employees	2.54	2.47	1.85
Contract Assets {Unbilled Job Work}	6.14	-	-
Other Receivables	5.54	0.01	0.31
Total	**27.17**	**4.81**	**2.31**

13 Current tax liabilities/(assets) (net)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Current tax (net of advance tax)	3.42	18.02	2.87
Total	**3.42**	**18.02**	**2.87**

Gross movement in current tax liabilities/(assets)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Net current tax liabilities/(assets) at the beginning of the year	18.02	2.87	(2.56)
Pursuant to scheme of merger		-	0.48
Net current tax liabilities/(assets) at the beginning of the year (Post Merger)		2.87	(3.04)
Tax adjustments related to earlier years	2.16	0.16	0.99
Income tax payment of earlier years	(20.18)	(0.16)	(0.99)
Provision for current tax	175.45	125.54	94.86
Advance tax paid (Net of TDS and TCS)	(172.03)	(110.39)	(88.95)
Current tax liabilities/(assets)	**3.42**	**18.02**	**2.87**

14 Other Current Assets
(Unsecured considered good unless otherwise stated)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Advances against supply of goods and services	12.75	2.35	15.61
Amount paid against redemption of Preference Share Capital (Refer footnote of note No. 18 and 21)	-	-	-
Prepaid expenses	3.57	2.62	3.03
Balance and deposits with government department or others	3.16	4.45	17.60
Asset held for sale*	-	4.00	-
Total	**19.48**	**13.42**	**36.24**

* Fair Value of Plant and Equipment held for sale.

No advances are due by directors or other officers of the company or any of them either severally or jointly with any other persons or by firms or private limited companies respectively in which any director is a partner or a director or a member.

Other current assets includes payaments in connection with the proposed Initial Public Offer (IPO) of equity shares, comprising a fresh issue by the Company and an offer for sale by the existing shareholders. Except for listing fees, which shall be solely borne by the Company, all other IPO-related expenses are recoverable from the Selling Shareholders to the extent of their share, and will be apportioned between the Company and the Selling Shareholders on a pro-rata basis, in proportion to the equity shares issued in the fresh issue and the equity shares offered for sale.

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15 Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
Equity shares of ₹ 10/- each (par value)	93,50,000	93.50	53,50,000	53.50	53,50,000	53.50
Preference shares of ₹ 10/- each (par value)	1,64,00,000	164.00				
	-	-				
Total	**2,57,50,000**	**257.50**	**53,50,000**	**53.50**	**53,50,000**	**53.50**
	-	**-**				
Issued, subscribed and fully paid-up	-	-				
Equity shares of ₹ 10/- each (par value)	78,07,865	78.08	48,58,865	48.59	40,00,000	40.00
Total	**78,07,865**	**78.08**	**48,58,865**	**48.59**	**40,00,000**	**40.00**

a. Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Equity share capital					
	March 31, 2025		March 31, 2024		March 31, 2023	
	Number	Amount	Number	Amount	Number	Amount
Issued, subscribed and paid-up equity shares						
Shares and share capital outstanding at the beginning of the period	48,58,865	48.59	40,00,000	40.00	40,00,000	40.00
Shares and share capital issued during the period	29,49,000	29.49	8,58,865	8.59	-	-
Shares and share capital outstanding at the end of the period	78,07,865	78.08	48,58,865	48.59	40,00,000	40.00

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive remaining assets of the Company after settlement of all the preferential liabilities, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Note No. 15 Equity share capital (Continued)

c. The details of equity shareholders holding more than 5% of the aggregate equity shares

Particulars	Equity share capital					
	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% shareholding	Number of shares held	% shareholding	Number of shares held	% shareholding
Sh. Dinesh Garg	5,64,675	7.23%	3,37,300	6.94%	3,37,300	8.43%
Sh.Lovlish Garg	6,68,425	8.56%	3,96,200	8.15%	3,96,200	9.91%
Sh. Parkash Chand Garg	5,59,632	7.17%	2,82,323	5.81%	3,59,999	9.00%
Sh. Parkash Chand Garg HUF	3,98,090	5.10%	3,11,380	6.41%	3,11,380	7.78%
Sh. Rajesh Kumar Garg	6,31,097	8.08%	3,84,720	7.92%	3,84,720	9.62%
Smt. Anju Garg	6,52,425	8.36%	3,80,196	7.82%	3,80,196	9.50%
Sh. Kanav Garg	6,35,550	8.14%	3,70,800	7.63%	3,70,800	9.27%
Smt. Yogita Garg	6,71,920	8.61%	3,98,200	8.20%	3,98,200	9.96%
Smt. Bhanu Garg	5,22,948	6.70%	2,58,198	5.31%	2,58,198	6.45%
Sh. Bhuvnesh Garg	4,40,310	5.64%	1,63,600	3.37%	-	-
Sh. Rajesh Kumar Garg HUF	3,93,224	5.04%	1,96,999	4.05%	-	-
Sh. Dinesh Garg HUF	5,93,425	7.60%	3,97,200	8.17%	3,97,200	9.93%
SG Tech Engineering Private Limited (Previously known as Homedge Infracon Private Limited)	7,80,787	10.00%	7,80,787	16.07%	-	-

d. The Company has issued 2949000 equity of Rs. 10/- each shares under ascheme of amalgamation.The Company has issued 29,49,000 equity shares of ₹10 each during the financial year 2024–25 for consideration other than cash, pursuant to a Scheme of Amalgamation (refer Note 49).

e. There are no buy back of equity shares during the last five years.

f. There are no bonus shares issued during the last five years.

g. There is no holding / ultimate holding company of the company.

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Note No. 15 Equity share capital (Continued)

h. Shareholding of Promoters

Sr. No.	Promoter name	Shareholding of Promoters as on 31.03.2025			Shareholding of Promoters as on 31.03.2024			Shareholding of Promoters as on 31.03.2023		
		No. of Shares	% of total shares	% Change during the period	No. of Shares	% of total shares	% Change during the period	No. of Shares	% of total shares	% Change during the period
	Promoter									
1	Sh. Dinesh Garg	5,64,675	7.23%	0.29%	3,37,300	6.94%	-1.49%	3,37,300	8.43%	-
2	Sh. Parkash Chand Garg	5,59,632	7.17%	1.36%	2,82,333	5.81%	-3.19%	3,59,999	9.00%	-
3	Sh. Lovlish Garg	6,68,425	8.56%	0.41%	3,96,200	8.15%	-1.75%	3,96,200	9.91%	-
4	Sh. Rajesh Kumar Garg	6,31,097	8.08%	0.16%	3,84,720	7.92%	-1.70%	3,84,720	9.62%	-
5	Sh. Bhuvnesh Garg	4,40,310	5.64%	5.64%	-	-	-4.09%	-	-	-
	Promoters Group									
6	Sh. Bhuvnesh Garg	-	-	-3.37%	1,63,600	3.37%	-0.72%	1,63,600	4.09%	-
7	Parkash Chand Garg (HUF)	3,98,090	5.10%	-1.31%	3,11,380	6.41%	-1.38%	3,11,380	7.78%	-
8	Dinesh Garg HUF	5,93,425	7.60%	-0.57%	3,97,200	8.17%	-1.76%	3,97,200	9.93%	-
9	Rajesh Kumar Garg Huf	3,93,224	5.04%	0.98%	1,96,999	4.05%	-0.87%	1,96,999	4.92%	-
10	Anju Garg	6,52,425	8.36%	0.53%	3,80,196	7.82%	-1.68%	3,80,196	9.50%	-
11	Yogita Garg	6,71,920	8.61%	0.41%	3,98,200	8.20%	-1.76%	3,98,200	9.96%	-
12	Kiran Garg Huf	-	-	-0.39%	19,000	0.39%	-0.08%	19,000	0.48%	-
13	Pratibha Goyal	39,776	0.51%	-1.09%	77,776	1.60%	1.60%	100	0.00%	-
14	Lovlish Garg HUF	1,39,000	1.78%	1.27%	25,000	0.51%	-0.11%	25,000	0.63%	-
15	Kanav Garg	6,35,550	8.14%	0.51%	3,70,800	7.63%	-1.64%	3,70,800	9.27%	-
16	Bhanu Garg	5,22,948	6.70%	1.38%	2,58,198	5.31%	-1.14%	2,58,198	6.45%	-
17	Aakanksha Garg	-	-	-0.01%	599	0.01%	0.00%	599	0.01%	-
18	Ridhisha Achal Bansal	200	0.00%	0.00%	200	0.00%	-0.01%	200	0.00%	-
	Total Shares held by promoter at the end of the period	**69,10,697**	**88.51%**	**6.20%**	**39,99,701**	**82.32%**	**-21.77%**	**39,99,691**	**99.99%**	

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16 Other Equity

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
(i) Equity Component of Compound financial Instruments (Balance at the beginning and end of the Period)	**-**	**52.30**	**52.30**
Refer to footnote "Details of 3.5% Non- Cumulative Non-Convertible Redeemable Preference Shares" to Note no. 18			
(ii) Reserves and surplus			
a. Capital reserve (Balance at the beginning and end of the period)	**4.90**	**4.90**	**4.90**
The Capital Reserve includes the amount realized on account of forfeiture of shares due to non-payment of call money by shareholders. The forfeited amount, being capital in nature, have been transferred to the Capital Reserve in accordance with applicable accounting principles and provisions of the erstwhile Companies Act, 1956. This reserve is not available for distribution as dividend.			
b. Securities premium account			
Opening balance	460.25	83.84	83.84
Add: Premium on shares issued during the year	-	376.41	-
Closing balance	**460.25**	**460.25**	**83.84**
The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be utilized in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.			
c. Retained earnings			
Opening Balance Pre Merger	**-**	-	620.00
Ind As Tranisition Adjustment	**-**	-	-
Pursuant to scheme of merger/Opening Balance of merged entity	**-**	-	95.63
Difference between the net identifiable assets acquired and consideration paid on merger*	**-**	-	(21.09)
Opening Balance Post Merger	**1,340.46**	**982.55**	**694.54**
Add: Profit for the year	529.51	357.91	288.01
Less: Transferred to capital redemption reserve (Refer footnote of note no. 19)	(104.00)		
Closing balance	**1,765.97**	**1,340.46**	**982.55**
Retained earnings if any represents the net profits after all distributions and transfers to other reserves.			
d. Capital Redemption Reserve			
Opening balance	**-**	**-**	**-**
Add: Transferred from retained earnings (Refer footnote of note no. 18)	104.00	-	-
Closing balance	**104.00**	**-**	**-**
During the year ended 31st March, 2025, the Company redeemed 1,04,00,000 non-convertible, non-cumulative preference shares of ₹10 each at par, aggregating to ₹10,40,00,000. The redemption was carried out out of accumulated profits, in accordance with the requirements of Section 55 of the Companies Act, 2013. As required under the said provisions, an amount equivalent to the nominal value of the shares redeemed, i.e., ₹10,40,00,000, has been appropriated from Retained Earnings and transferred to the Capital Redemption Reserve (CRR). The Capital Redemption Reserve is classified under "Other Equity" in accordance with the presentation requirements of Ind AS 1 – Presentation of Financial Statements, and it shall be utilized only for the purpose of issuing fully paid bonus shares in compliance with the Companies Act, 2013.			
e. Remeasurements of defined benefit obligation			
Opening balance	**-**	-	(0.79)
Pursuant to scheme of merger/Opening Balance of merged entity	**-**	-	1.85
Opening balance Post Merger	**3.42**	**2.86**	**1.06**
Add: Other comprehensive income/(expense) net of tax impact	(0.46)	0.56	1.80
Closing balance	**2.96**	**3.42**	**2.86**
Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).			
Total	**2,338.08**	**1,861.33**	**1,126.45**

*The difference between the net identifiable assets acquired and consideration paid on merger being ₹ (21.090) Millions has been adjusted with Retained Earnings as on 01.04.2022 (refer note no. 49).

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17 Equity share capital to be issued pursuant to the scheme of Arrangement for Amalgamation*

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Opening balance	29.49	29.49	29.49
Add: Addition/(Deduction)	(29.49)	-	-
Closing balance	**-**	**29.49**	**29.49**

*refer note no. 49

18 Borrowings - Non Current

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Secured			
1) Term Loans			
From Banks-Indian Rupees	11.68	15.14	18.73
Unsecured			
Loans and Advances from Related Parties (refer note no. 39)			
From Shareholders	-	-	66.34
From Directors & Director's Relatives	-	-	168.10
Liability component of 3.5% Non- Cumulative Non-Convertible Redeemable Preference	-	56.93	54.97
	11.68	**72.07**	**308.14**
Less: Current maturities of Long Term Borrowings - Secured (refer note no. 21)	4.12	3.92	4.31
Total	**7.56**	**68.15**	**303.83**

A) Details of Security for Term Loans:-
(a) First pari-passu charge by way of hypothecation of entire current assets including book debts and inventory of the Company, both present and future, Fixed Deposits and LC's issued by other banks are also covered.
(b) Further they are collaterally secured by first pari-passu charge over the entire Plant & machinery both present and future, of the Company
(c) Equitable mortgage created on Company's Immoveable Properties situated at
(i) 357/1,357/2, Village Salani, Amloh Road, 147301, Mandi Gobindgarh.
(ii) Main Amloh Road Vill Turan Jalalpur Chowk Near Jawahar Lal Nehru Govt College Mandi Gobindgarh Punjab 147301
(d) Further, secured by personal guarantee given by Mr. Dinesh Garg, Mr. Parkash Chand Garg, Mr. Lovlish Garg and Mr. Rajesh Garg the directors of the Company.

B) Terms of Repayments:-
Secured Loan:
i) Term Loan amounting to ₹ 6.22 Millions (March 31,2024:₹ 7.90 Millions and March 31,2023: ₹9.60 Millions) repayable in equal quarterly instalment, last instalment due in February, 2028. Total number of instalments pending are 35 as on 31.03.2025, 39 as on 31.03.2024 and 51 as on 31-Mar-2023.
ii) Term Loan amounting to ₹ 5.46 Millions (March 31, 2024 ₹ 7.24 Millions and as on March 31, 2023: ₹9.13 Millions) repayable in equal quarterly instalment, last instalment due in August, 2027. Total number of instalments pending are 29 as on 31.03.2025, 45 as on 31.03.2024 and 57 as on 31-Mar-2023.
Unsecured:
Loans from Directors & Director's Relatives and Shareholders :
Repayable on demand

Details of 3.5% Non- Cumulative Non-Convertible Redeemable Preference Shares:
As part of the scheme of amalgamation, the Company had issued and allotted 1,04,00,000 3.5% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹10 each (amounting to ₹104.00 millions) on February 18, 2025 to the preference shareholders of M/s Belco Special Steels Private Limited (Transferor Company 1), in exchange for similar instruments previously held.
These preference shares were classified as compound financial instruments under Ind AS 32, with the equity component recognized under "Other Equity" on account of the discretionary nature of dividend payments.

During the year:
On September 2, 2024, the Company signed an agreement with preference shareholders towards the redemption of the aforesaid preference shares.
Subsequently, the preference shareholders formally tendered their shares for redemption, which was approved by the Company and recorded as redeemed on March 26, 2025.
Accordingly, the equity component of the compound financial instrument, previously recorded under Other Equity, has been reversed on redemption.

19 Non-Current Provisions

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Employee Benefits	9.70	7.15	5.33
Total	**9.70**	**7.15**	**5.33**

20 Deferred tax liabilities/assets (net)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Deferred tax liabilities (net) (refer note no. 33)	10.79	24.43	8.66
Total	**10.79**	**24.43**	**8.66**

21 Borrowings - Current

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Secured			
Cash credit from banks	18.40	10.25	166.73
Overdraft (Against Fixed Deposit)	45.69	-	-
Unsecured			
Loans and Advances from Related Parties (refer note no. 39)			
From Shareholders	-	6.29	-
From Directors & Director's Relatives	-	323.52	161.52
Current maturities of long-term debts - secured (refer note no. 18)	4.12	3.92	4.31
Total	**68.21**	**343.98**	**332.56**

Nature of Security:-
Secured

(a) First pari-passu charge by way of hypothecation of entire current assets including book debts and inventory of the Company, both present and future, Fixed Deposits and LC's issued by other banks are also covered. Further for Working Capital there is sharing of pari passu between HDFC Bank Ltd. and lCICI Bank Ltd.

(b) Further they are collaterally secured by first pari-passu charge over the entire Plant & machinery both present and future, of the Company

(c) Equitable mortgage created on Company's Immoveable Properties situated at

(i) 357/1,357/2, Village Salani, Amloh Road, 147301, Mandi Gobindgarh.

(ii) Main Amloh Road Vill Turan Jalalpur Chowk Near Jawahar Lal Nehru Govt College Mandi Gobindgarh Punjab 147301

(d) Further, secured by personal guarantee given by Mr. Dinesh Garg, Mr. Parkash Chand Garg, Mr. Lovlish Garg and Mr. Rajesh Garg the directors of the Company.

22 Trade Payable - Current

Particulars	**As at 31-Mar-2025**	**As at 31-Mar-2024**	**As at 31-Mar-2023**
Outstanding dues of micro enterprises and small enterprises	15.64	19.03	24.21
Outstanding dues of creditors other than micro enterprises and small enterprises	228.54	90.75	90.07
Total	**244.18**	**109.78**	**114.28**

Note: For Details of Dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 refer Note No. 46

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Trade payables ageing schedule as on 31.03.2025

Particulars	Outstanding for following periods from the date of transaction*					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME**	-	38.51	0.02	-	-	38.53
(ii) Others	-	205.65	-	-	-	205.65
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**244.16**	**0.02**	**-**	**-**	**244.18**

* There are no specific due date of payment specified in respect of trade payables, as such the trade payables ageing schedule is prepared on the basis of date of transaction.
**Total outstanding dues to Micro, Small and Medium Enterprises under the MSMED Act, 2006 include ₹22.89 million payable to medium enterprises.

Trade payables ageing schedule as on 31.03.2024

Particulars	Outstanding for following periods from the date of transaction*					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME**	-	37.14	-	-	-	37.14
(ii) Others	-	71.94	0.70	-	-	72.64
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**109.08**	**0.70**	**-**	**-**	**109.78**

* There are no specific due date of payment specified in respect of trade payables, as such the trade payables ageing schedule is prepared on the basis of date of transaction.
**Total outstanding dues to Micro, Small and Medium Enterprises under the MSMED Act, 2006 include ₹18.11 million payable to medium enterprises.

Trade payables ageing schedule as on 31.03.2023

Particulars	Outstanding for following periods from the date of transaction*					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	24.21	-	-	-	24.21
(ii) Others	-	89.58	0.49	-	-	90.07
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**113.79**	**0.49**	**-**	**-**	**114.28**

* There are no specific due date of payment specified in respect of trade payables, as such the trade payables ageing schedule is prepared on the basis of date of transaction.

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23 Other financial liabilities - Current

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Interest accrued but not due on borrowings	0.75	0.20	-
Payable to employees			
- to related parties (refer note no. 39)	0.24	0.20	0.66
- to other employees	21.17	14.13	12.23
Other liabilities			
- to related parties (refer note no. 39)	-	-	0.47
- to others - Liability for expenses	39.05	26.98	21.00
Cheques Issued But not Presented	62.92	2.39	4.24
Other Payables	0.36	0.90	0.40
Payable on purchase of capital goods	3.16	3.70	3.08
Total	**127.65**	**48.50**	**42.08**

24 Other current liabilities

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Advances from customers	38.62	29.34	17.14
Statutory remittances*	27.16	27.57	6.49
Total	**65.78**	**56.91**	**23.63**

* Statutory remittance includes contribution to provident fund, ESI, Punjab labour welfare fund and tax deducted at source, GST payable etc.

25 Current provisions

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Provision for employee benefits	6.32	4.49	3.27
Total	6.32	4.49	3.27

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26 Revenue from operations

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Sale of Products-Domestic	4,631.32	4,017.50	4,381.81
Sale of Products-Deemed Export	31.94	11.19	18.70
Sale of Products-Exports	183.84	199.00	119.55
Sale-Others	78.74	68.25	32.58
	4,925.84	4,295.94	4,552.64
Other operating revenue			
Sale of Scrap	14.44	30.24	21.96
Sale of Consumables	2.26	0.30	0.68
Export Benefits	4.01	5.48	1.46
Job Work Income	126.43	128.88	52.54
Unbilled Revenue	6.14	-	
	153.28	164.90	76.64
Total	**5,079.12**	**4,460.84**	**4,629.28**

Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by sale of products for the year ended 31st March, 2025, 31st March, 2024 and 31st March, 2023 respectively. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Ingot	116.28	21.49	52.44
Metal Rolls	1,247.67	1,131.91	1,031.61
Casting	901.06	796.75	649.85
Round and Flat	2,582.09	2,277.54	2,786.16
Others	78.74	68.25	32.58
Total	**4,925.84**	**4,295.94**	**4,552.64**

27 Other income

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Interest Income (Gross)			
- From Bank Deposits	29.48	5.12	0.17
- From Others	2.35	7.60	2.92
Other Non-Operating Income:			
-Subsidy Income (refer note no.53)*	38.64	21.60	34.79
-Liabilities no longer required written back	0.50	0.73	-
-Commission income		-	4.34
-Miscellaneous Income	2.81	0.05	-
-Gain on sale of items of Property, Plant and Equipment (net)	0.70	0.01	0.02
-Discount Received	1.06	1.17	-
-Bad debts Recovered		0.06	-
-NET Gain on foreign currency transaction & translation	3.73	-	-
-Gain on sale of Investment	4.60	-	-
Fair value gain on Financial instruments measured at FVTPL			
- Gain on fair value changes of financial assets		2.40	3.10
Total	**83.87**	**38.74**	**45.34**

Note*: Components of Subsidy Income

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Subsidy against PSPCL duties under the "Invest Punjab" Scheme	38.13	21.60	21.32
GST subsidy under the "Invest Punjab" Scheme	-	-	13.47
Grant from National Institute of Secondary Steel Technology	0.51	-	-
Total of Subsidy Income	**38.64**	**21.60**	**34.79**

Nature and purpose:
a) Subsidy against PSPCL duties – Granted under the Invest Punjab Scheme by the Government of Punjab, to compensate the Company for electricity duty expenses on eligible power consumption.
b) GST subsidy – Refund of GST paid under the Invest Punjab Scheme for eligible purchases, aimed at supporting industrial growth and reducing input tax burden.
c) Grant from the National Institute of Secondary Steel Technology – Assistance received for technology enhancement and operational efficiency initiatives.

28 Cost of material consumed

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Raw material consumed			
Opening Stock	205.74	244.24	196.23
Add: Pursuant to scheme of merger#		-	85.44
Restated Opening Stock (Post Merger)	**205.74**	**244.24**	**281.67**
Add: Purchases	2,810.69	2,755.34	3,241.12
Less: Sale of Raw Material	42.03	48.63	42.03
Total	**2,974.40**	**2,950.95**	**3,480.76**
Less: Closing stock	257.94	205.74	244.24
Cost of material consumed	**2,716.46**	**2,745.21**	**3,236.52**

Raw materials consumed comprises:

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Scrap	2,066.69	1,454.54	1,741.03
Ferro Alloys	112.03	142.10	181.84
Ingot	529.13	1,144.56	1,291.61
Others	6.14	3.65	-
Billet	2.48	0.36	22.04
Total	**2,716.46**	**2,745.21**	**3,236.52**

29 Changes in inventories of finished goods, work-in-progress and Stock in trade

Particulars		For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Inventories at the beginning of the year				
Finished goods			-	175.99
Work-in-progress			-	-
Stock in trade			-	-
Add: Pursuant to scheme of merger#				
Finished goods			-	32.70
Stock in trade			-	-
Restated Inventories at the beginning of the year (Post Merger)				
Finished goods		148.01	274.46	208.69
Work-in-progress		172.33	-	-
Stock in trade		2.74	-	4.57
Transfer to Raw Material			-	(4.57)
Goods in Transit		-	-	-
Scrap By Products		2.31	-	-
	(A)	325.39	274.46	208.69
Inventories at the end of the year				
Finished goods		219.03	148.01	274.46
Work-in-progress		210.34	172.33	-
Stock in trade		20.45	2.74	-
Goods in Transit		0.98	-	-
Scrap			2.31	-
	(B)	450.80	325.39	274.46
Net (Increase)/decrease in inventory	**(A-B)**	**(125.41)**	**(50.93)**	**(65.77)**

#refer note no. 49

30 Employee benefits expense

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Salaries and Wages *(including Bonus, Gratuity and Leave Encashment)*	307.70	175.02	154.65
Contribution to Provident Fund & Other Funds	15.23	11.47	10.40
Workmen and Staff Welfare Expenses	3.21	0.80	0.69
Total	**326.14**	**187.29**	**165.74**

31 Finance Cost

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Interest Expense on:			
-Term loan	1.18	1.52	1.10
-Working Capital	9.39	7.14	6.53
- Others	7.93	12.47	24.31
Dividend on redeemable preference shares	(5.23)	1.96	1.89
Other Borrowing Costs	0.31		
Total	**13.58**	**23.09**	**33.83**

32 Other expenses

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Manufacturing Expenses			
Consumption of Stores and Spares	527.07	402.30	320.61
Freight Inward	42.73	24.54	28.14
Conversion charges	73.72	69.18	70.73
Repairs-Plant & Machinery	23.12	29.82	35.54
Power & Fuel (Net of Subsidy)	326.98	236.82	211.76
Loading and unloading charges	-	-	0.11
Administrative & Other Expenses			
Audit Fee (refer note no.45)	1.35	1.00	0.08
Bank Charges	0.90	1.18	1.35
Expenditure on corporate social responsibility (refer note no. 47)	11.68	6.08	3.10
Allowance for expected credit loss and doubtful receivables	1.21	-	-
Insurance	1.67	1.69	1.34
Interest on Taxes	0.04	0.00	0.05
Legal & Professional charges	6.11	1.89	0.17
Loss on asset held for sale	-	0.99	-
Miscellaneous Expenses*	6.02	4.01	2.88
Net Loss on foreign currency transaction & translation	-	1.20	1.26
Penalty	0.22	-	-
Rent (refer note no. 38)	4.50	5.76	6.08
Repairs-Buildings	5.39	1.35	1.23
Repairs-Vehicle	0.73	2.40	1.64
Repairs-Others	2.19	1.38	2.09
Rates & Taxes	6.57	6.35	4.35
Rebates, Discounts and LD Charges	12.24	7.11	9.95
Software Expense	1.96	0.64	1.57
Security expense	1.59	0.98	0.68
Sundry Balances Written off	0.27	-	0.66
Travelling Expense	7.48	3.18	2.47
Marketing, Selling & Distribution Expenses:			
Outward Freight, Handling & Other Selling expenses	53.30	32.43	26.75
Commission on Sales	21.71	12.83	9.86
Total	**1,140.75**	**855.11**	**744.45**

**Does not include any item of expenditure with a value more than 1% of the revenue from operations.*
"0.00" represents figures below rounding-off norms / negligible amounts

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33 Current tax and deferred tax

(a) Income tax recognised in statement of profit and loss

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Current tax			
In respect of current period	175.45	125.54	94.86
Tax adjustments related to earlier years	2.16	0.16	0.99
Total (A)	**177.61**	**125.70**	**95.85**
Deferred tax			
In respect of current period	(13.49)	15.58	(1.61)
MAT Credit entitlement for the current period	-	-	-
Total (B)	**(13.49)**	**15.58**	**(1.61)**
Total Income tax expense (A+B)	**164.11**	**141.28**	**94.24**

(b) Income tax recognised in other Comprehensive income

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Deferred tax (assets)/liability			
On remeasurement loss of defined benefit obligation	(0.16)	(0.19)	(0.60)
Total	**(0.16)**	**(0.19)**	**(0.60)**

(c) Reconciliation of tax expense and the profit before tax multiplied by statutory tax rate

Particulars	For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Profit before tax	693.63	499.19	382.25
Income tax expense calculated at 25.1680%	174.57	125.64	97.53
Income tax for earlier years recognised in statement of profit and loss	-	0.16	0.99
Income tax impact of expenses not considered for tax purpose	0.24	0.76	0.41
Income tax impact of Income not considered for tax purposes	(2.89)	(0.60)	(0.78)
Income tax impact of depreciation	(3.35)	(2.60)	(1.52)
Income tax impact of expenses availed on payment basis	1.05	0.80	0.64
Income tax impact of allowances of permanent nature	3.04	1.54	0.84
Income tax impact on Capital Gain of Investment	2.78	-	-
Income tax impact on Set off of losses		-	(2.26)
Tax expense charged to statement of profit and loss at effective rate of 25.11% (March 31, 2024: 25.18%, March 31, 2023: 25.08%, March 31, 2022: 25.83%)	**175.45**	**125.70**	**95.85**

(d) Movement in deferred tax balances

Particulars	As at 31-March-2024	Recognised in Statement of Profit and Loss	Recognised in OCI	As at 31-March-2025
Deferred tax liabilities				
Property, Plant and Equipment including Intangible Assets	23.58	(7.99)	-	15.59
Fair valuation gain on investments	4.44	(4.44)	-	(0.00)
Gross deferred tax liabilities (A)	28.02	(12.43)	-	15.59
Deferred tax assets				
Gratuity	2.27	0.52	(0.16)	2.95
Interest on Preference Share Capital	1.32	(1.32)	-	0.00
Allowance for expected credit loss and doubtful receivables		1.85	-	1.85
Gross deferred tax assets (B)	3.59	1.06	(0.16)	4.81
Net Deferred tax (Asset)/Liabilities (A-B)	**24.43**	**(13.49)**	**0.16**	**10.78**

Annexure- VI Notes forming part of these Restated Financial Statements
(ALL amounts in INR Million, unless otherwise stated)

Particulars	As at 31-March-2023	Recognised in Statement of Profit and Loss	Recognised in OCI	As at 31-March-2024
Deferred tax liabilities				
Property, Plant and Equipment including Intangible Assets	9.55	14.03	-	23.58
Fair valuation gain on investments	3.84	0.60	-	4.44
Gross deferred tax liabilities (A)	13.39	14.63	-	28.02
Deferred tax assets				
Carry Forward of Losses	2.24	(2.24)		-
Gratuity	1.66	0.80	0.19	2.27
Interest on Preference Share Capital	0.83	0.49	-	1.32
Gross deferred tax assets (B)	4.73	(0.95)	0.19	3.59
Net Deferred tax (Asset)/Liabilities (A-B)	**8.66**	**15.58**	**(0.19)**	**24.43**

Movement in deferred tax balances

Particulars	As at 1-Apr-2022	Recognised in Statement of Profit and Loss	Recognised in OCI	As at 31-Mar-2023
Deferred tax liabilities				
Property, Plant and Equipment including Intangible Assets	8.58	0.97	-	9.55
Fair valuation gain on investments	3.06	0.78	-	3.84
Gross deferred tax liabilities (A)	11.64	1.75	-	13.39
Deferred tax assets				
Carry Forward of Losses	-	2.24	-	2.24
Gratuity	1.62	0.64	0.60	1.66
Interest on Preference Share Capital	0.35	0.48	-	0.83
Gross deferred tax assets (B)	1.97	3.36	0.60	4.73
	-			
Net Deferred tax (Asset)/Liabilities (A-B)	**9.67**	**(1.61)**	**(0.60)**	**8.66**

Movement in deferred tax balances (post merger) -

Particulars	As at 31-Mar-2022	(Pursuant to scheme of Merger) Recognised in Statement of Profit and Loss	Recognised in OCI	As at 1-Apr-2022
Deferred tax liabilities				
Property, Plant and Equipment including Intangible Assets	4.71	3.87	-	8.58
Fair valuation gain on investments	-	3.06	-	3.06
Gross deferred tax liabilities (A)	4.71	6.93		11.64
Deferred tax assets				
Gratuity	1.43	0.81	0.62	1.62
Interest on Preference Share Capital	-	0.35	-	0.35
Gross deferred tax assets (B)	1.43	1.16	0.62	1.97
Net Deferred tax (Asset)/Liabilities (A-B)	**3.28**	**5.77**	**(0.62)**	**9.67**

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34 Earning per share

The earning Per Share (EPS) as disclosed in the statement of profit and loss has been calculated as under:

Particulars		For the year ended 31-Mar-2025	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Total operations for the period				
Profit after tax attributable to equity shareholders (₹)	A	529.51	357.91	288.01
Weighted average number of equity shares in computing basic earning per share (number)	B	78,07,865	40,00,000	40,00,000
Add: Adjustment relating to merger*			29,49,000	29,49,000
Add: Share issued during the year**		-	1,61,917	-
Total weighted average number of equity shares in computing basic earning per share (number)		78,07,865	71,10,917	69,49,000
Weighted average number of equity shares in computing diluted earning per share (number)	C	78,07,865	71,10,917	69,49,000
Basic earnings per share (₹)	A/B	67.82	50.33	41.45
Diluted earnings per share (₹)	A/C	67.82	50.33	41.45
Face value per equity share (₹)		10.00	10.00	10.00
Weighted average number of equity shares in computing basic earning per share (number) **(After adjusting for bonus shares)** $	B	3,90,39,325	2,00,00,000	2,00,00,000.00
Add: Adjustment relating to merger*			1,47,45,000	1,47,45,000.00
Add: Share issued during the year**		-	8,09,586	
Total weighted average number of equity shares in computing basic earning per share (number)		3,90,39,325	3,55,54,586	3,47,45,000
Weighted average number of equity shares in computing diluted earning per share (number)	C	3,90,39,325	3,55,54,586	3,47,45,000
Basic earnings per share (₹)	A/B	13.56	10.07	8.29
Diluted earnings per share (₹)	A/C	13.56	10.07	8.29
Face value per equity share (₹)		10.00	10.00	10.00

$ The Company has issued 31,2,31,460 equity shares of Rs. 10/ each as fully paid bonus shares in the ratio of 4 equity shares of Rs. 10/- each for every 1 equity shares held on record date of May 01, 2025. This has been considered for calculating weighted average number of equity shares for the comparative periods presented as per Ind As 33. In line with the above, EPS (basic and diluted) have been adjusted for all periods presented.

* The Board of Directors of the Company approved allotment of 29,49,000 fully paid-up equity shares of the Company, of face value ₹10/- each, to eligible shareholders of Belco Special Steels Private Limited and Parkash Multimetals Private Limited consequent to the approval of the separate schemes of amalgamation by National Company Law Tribunal (NCLT). (refer note no. 49).

** The Company has allotted following equity shares during the previous year (refer note no. 15):

Date of Allotment	Number of Shares	Weighted average number of equity shares	Weighted average number of equity shares (After adjusting for bonus shares)
20.01.2024	7,80,787	1,53,597	7,67,987
22.02.2024	78,078	8,320	41,599
Total	**8,58,865**	**1,61,917**	**8,09,586**

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Annexure- VI Notes forming part of these Restated Financial Statements
(ALL amounts in INR Million, unless otherwise stated)

35 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
A Contingent liabilities			
i Liability on account of Bank Guarantee issued in favour of others	12.13	2.92	3.10
ii Others*	19.93	-	-
Total	**32.06**	**2.92**	**3.10**
B Commitments			
i Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	53.04	8.00	-
Total	**53.04**	**8.00**	**-**

*The Company was subjected to a GST audit under Section 65 of the CGST Act, 2017, for the period from April 2018 to March 2023. Pursuant to the audit, a total demand of ₹ 9.18 Millions has been raised by the tax authorities towards tax, interest, and penalty. The Company has paid ₹ 2.20 Millions and the balance amount of ₹ 6.98 Millions has been contested and disclosed as a contingent liability, as the matter is under dispute and pending adjudication.
*Demand of ₹12.12 million has been raised by the Income Tax Department for AY 2024-25 on account of TDS credit mismatch. The matter is pending reconciliation with the Assessing Officer and no provision has been made in the financial statements.
*Demand of ₹0.17 million has been raised by TRACES towards alleged TDS/TCS defaults. The Company has preferred rectification against the said demand, which is currently under review by the relevant authorities.
*Show cause notice issued by the GST Department in connection with a search conducted at the premises of one of the Company's suppliers, proposing a demand of ₹0.66 million, which is under dispute.

36 Employee benefits

A Defined benefit plan: Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service subject to maximum amount of ₹ 2 Millions/-.

The following table set out the status of the gratuity and the amount recognised in the company's restated financial statements for the following periods:

i) Changes in the present value of the obligation

Particulars	**Gratuity (Unfunded) 31-Mar-2025**	**Gratuity (Unfunded) 31-Mar-2024**	**Gratuity (Unfunded) 31-Mar-2023**
Present value of obligation as at the beginning of the year	9.01	6.59	6.43
Interest cost	0.59	0.50	0.47
Current service cost	3.30	2.67	2.09
Benefits paid	(1.81)	-	-
Remeasurement - actuarial (gain) / loss	0.62	(0.75)	(2.40)
Present value of obligation as at the end of the year	**11.72**	**9.01**	**6.59**
ii) Amount recognised in the Balance Sheet			
Present value of the defined benefit obligation as at the end of the year	11.72	9.01	6.59
Fair value of plan assets as at the end of the year	-	-	-
Net asset/(liability) recognised in the Balance Sheet	**11.72**	**9.01**	**6.59**
iii) Expense recognised in the statement of profit and loss			
Current service cost	3.30	2.67	2.09
Net interest cost	0.59	0.50	0.47
Expense recognised in the statement of profit and loss	**3.89**	**3.17**	**2.56**
iv) Re-measurement of the net defined benefit liability / (asset)			
Actuarial (gain)/loss for the year on projected benefit obligation (PBO)	0.62	(0.75)	(2.40)
Actuarial (gain)/loss for the year on plan assets	-	-	-
Total Actuarial (gain)/loss at the end of the year	**0.62**	**(0.75)**	**(2.40)**
v) Bifurcation of actuarial (gain) / loss			
Actuarial (Gain) / loss on arising from change in demographic assumption		-	-
Actuarial (Gain) / loss on arising from change in financial assumption	0.10	0.10	(0.04)
Actuarial (Gain) / loss on arising from change in experience assumption	0.52	(0.84)	(2.36)
	0.62	**(0.74)**	**(2.40)**

vi) Principal actuarial assumptions at the Balance Sheet date :
Financial Assumptions

Particulars	**Gratuity (Unfunded) 31-Mar-2025**	**Gratuity (Unfunded) 31-Mar-2024**	**Gratuity (Unfunded) 31-Mar-2023**
Mortality Table	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
Attrition rate (per annum)	20.00%	20.00%	20.00%
Inputed Rate of return/ Discount rate (per annum)	7.09%	7.23%	7.52%
Rate of increase in compensation levels (per annum)	7.00%	7.00%	7.00%
Average remaining working lives of employees (years)	24.05	23.38	23.86
Method used	Projected unit credit	Projected unit credit	Projected unit credit

vii) Actuarial risks exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

a) Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
b) Imputed Rate of Return (IROR) - Reduction in IROR in subsequent valuations can increase the plan's liability.
c) Withdrawals - Actual withdrawals proving higher or lower than that assumed and change of withdrawal rates at subsequent valuations can impact Plan's liability.
d) Mortality - Actual deaths proving lower or higher than assumed in the valuation can impact the liabilities.

viii) Sensitivity analysis of the defined benefit obligation:

Following table reflects change in liabilities that will result from change in assumptions in respect of Salary Rise, Imputed Rate of Return and Attrition Rates. Deviation in expected Mortality is of less significance and thus not included in analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	March 31, 2025 Salary Rise		March 31, 2025 Imputed Rate of Return		March 31, 2025 Attrition Rate	
	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease
Sensitivity level	0.46	(0.44)	(0.43)	0.47	(0.15)	0.16

Assumptions	March 31, 2024 Salary Rise		March 31, 2024 Imputed Rate of Return		March 31, 2024 Attrition Rate	
	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease
Sensitivity level	0.35	(0.33)	(0.33)	0.35	(0.12)	0.13

Assumptions	March 31, 2023 Salary Rise		March 31, 2023 Imputed Rate of Return		March 31, 2023 Attrition Rate	
	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease	1.00% Increase	1.00% Decrease
Sensitivity level	0.27	(0.25)	(0.25)	0.27	(0.09)	0.09

ix) Expected Payouts as per Terminal Salary & Present Length of Service

Particulars	Gratuity (Unfunded) 31-Mar-2025	Gratuity (Unfunded) 31-Mar-2024	Gratuity (Unfunded) 31-Mar-2023
Years			
a) 0 to 1 years	2.07	1.91	1.30
b) 2 to 5 years	7.31	5.39	3.86
c) 6 to 10 years	4.57	3.61	2.95
d) More than 10 years	2.03	1.48	1.15

x) Expected Payouts as per Terminal Salary & Terminal Length of

Particulars	Gratuity (Unfunded) 31-Mar-2025	Gratuity (Unfunded) 31-Mar-2024	Gratuity (Unfunded) 31-Mar-2023
Years			
a) 0 to 1 years	2.21	2.03	1.40
b) 2 to 5 years	14.24	11.34	8.62
c) 6 to 10 years	19.99	16.90	15.85
d) More than 10 years	16.28	13.15	12.14

xi) Bifurcation of Projected Benefit Obligation (PBO) at the end of the year in current and non-current

Particulars	Gratuity (Unfunded) 31-Mar-2025	Gratuity (Unfunded) 31-Mar-2024	Gratuity (Unfunded) 31-Mar-2023
Current liability (amount due within one year)	2.02	3.69	1.26
Non-current liability (amount due over one year)	9.70	7.15	5.33
Total PBO at the end of year	11.72	10.84	6.59

B Contribution to Provident Fund

The company has recognized an expense of ₹ 9.864 Millions (March 31, 2024: ₹ 8.161 Millions and March 31, 2023: 7.647 Millions) in respect of contribution to Provident

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37 Segment Reporting

The Company is engaged in the business of manufacturing and trading of Iron and Steel products such as Ingot, Steel Casting, Metal Rolls and Alloy and Non-Alloy Round, Flat, Hex and Square etc.. In the context of Ind AS 108 on 'Segment Reporting', the results are considered to constitute a single reportable entity/ business segment for which the operating results are regularly reviewed by the company's Chief Operating Decision Maker.

Revenue for the period and year is as below :

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Revenue from Operations	5,079.12	4,460.84	4,629.28
Total Revenue	**5,079.12**	**4,460.84**	**4,629.28**

No single customer represents 10% or more of the Company's total revenue during the period and year ended.

38 Disclosure pursuant to Ind AS-116 Leases

Company as a Lessee

Lease payments on account of short term and low value leases are recognized as rental expense.
Rental expense recorded under other expenses :

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Rent	4.50	5.76	6.08

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39 Related party disclosures

In accordance with the requirements of IND AS 24, on Related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are:

A. Related party and their relationship:-

i	**Key Management Personnel:**	Dinesh Kumar Garg - Managing Director	
		Lovlish Garg - Whole time Director	
		Parkash Chand Garg - Director	
		Rajesh Garg - Director (w.e.f. February 25, 2025)	
		Aakarsh Goyal-Chief Financial Officer (w.e.f. September 23, 2024)	
		Bhuvnesh Garg-Chief Executive Officer (w.e.f. November 04, 2024)	
		Manvinder Pratap Singh- Additional Director (w.e.f. May 01, 2025)	
		Sucheta Aggarwal-Company Secretary (w.e.f. July 1, 2024 upto November 4, 2024)	
		Sanjeev Kumar Sehgal-Company Secretary (w.e.f. November 04, 2024)	
ii	**Independent Director**	Ayussh Mittaal - Independent Director (w.e.f. February 25, 2025)	
		Anil Dhawan - Independent Director (w.e.f. February 25, 2025)	
		Anil Kumar Bansal - Independent Director (w.e.f. February 25, 2025)	
		Meena Rohilla - Independent Director (w.e.f. February 25, 2025)	
		Rajesh Kumar Sinha - Additional Independent Director (w.e.f. May 01, 2025)	
iii	**Relatives of Key Management Person**	Rajesh Garg	Son of Director
		Anju Garg	Mother of Director
		Pratibha Goyal	Daughter of Director
		Ivansh Garg	Son of Director
		Bhanu Garg	Spouse of Director
		Yogita Garg	Spouse of Director
		Bhuvnesh Garg	Son of Director
		Kanav Garg	Son of Director
		Aakanksha Garg	Relative of Director
iv	**Relatives of Senior Managerial Person**	Simran Garg	Relative of SMP
v	**Enterprises over which Key Management Personnel (KMP) and relative of such personnel is able to exercise significant influence or control:**	M/s Belco Ispat & Alloys	
		M/s BLC Metal Pvt.Ltd.	
		Parkash Chand Garg HUF	
		Lovlish Garg HUF	
		Dinesh Garg HUF	
		Rajesh Garg HUF	

B Details of transactions entered into with related parties during the year as required by Ind AS 24 on "Related Party Disclosures" of Companies (Indian Accounting Standards) Rules 2015.

Sr. No.	Particulars	Total		
		Year ended 31-Mar-2025	Year ended 31-Mar-2024	Year ended 31-Mar-2023
1	**Interest Paid**	**-**	**1.93**	**13.94**
	Key Management Personnel (KMP)			
	Lovlish Garg	-	-	0.02
	Parkash Chand Garg	-	-	0.88
	Relatives of KMP			
	Aakanksha Garg	-	-	0.95
	Anju Garg	-	-	1.98
	Bhanu Garg	-	-	3.98
	Bhuvnesh Garg	-	-	0.88
	Ivansh Garg	-	-	0.01
	Kanav Garg	-	-	1.59
	Pratibha goyal	-	-	0.10
	Rajesh Garg	-	-	0.22
	Yogita Garg	-	-	0.57
	Enterprises over which KMP and relative of such personnel is			
	Dinesh Garg HUF	-	0.03	0.62
	Lovlish garg HUF	-	0.32	0.26
	Parkash Chand Garg HUF	-	1.07	1.27
	Rajesh Garg HUF	-	0.51	0.61

2	**Managerial remuneration***	**3.84**	**9.65**	**13.80**
	Key Management Personnel (KMP)			
	Dinesh Garg	1.80	4.60	6.60
	Lovlish Garg	2.04	5.05	7.20
3	**Freight Paid**	**1.13**	**2.82**	**1.77**
	Enterprises over which KMP and relative of such personnel is			
	Belco Ispat & Alloys	1.13	2.82	1.77
4	**Rent paid**	**4.35**	**5.76**	**6.03**
	Relatives of KMP			
	Rajesh Garg	-	-	0.27
	Yogita Garg	2.29	2.88	2.73
	Anju Garg	0.36	0.72	0.72
	Aakanksha Garg	1.20	1.20	1.05
	Key Management Personnel (KMP)			
	Parkash Chand Garg	-	-	0.30
	Enterprises over which KMP and relative of such personnel is			
	Dinesh Garg HUF	-	0.48	0.48
	Rajesh Garg HUF	0.25	0.48	0.48
	Belco Ispat & Alloys	0.25	-	-
5	**Salary Paid***	**6.96**	**8.42**	**9.02**
	Relatives of KMP			
	Rajesh Garg	1.19	2.04	2.04
	Kanav Garg	2.04	2.74	3.14
	Aakanksha Garg	-	1.00	1.50
	Simran Garg	-	0.60	-
	Bhuvnesh Garg	-	2.04	2.34
	Key Management Personnel (KMP)			
	Bhuvnesh Garg	2.04	-	-
	Aakarsh Goyal	0.78	-	-
	Sanjeev Kumar Sehgal	0.67	-	-
	Sucheta Aggarwal	0.24	-	-
6	**Interest Received**	**-**	**4.98**	**1.62**
	Enterprises over which KMP and relative of such personnel is			
	BLC Metals Private Limited	-	4.98	1.62
7	**Purchase of Goods**	**-**	**0.02**	**2.17**
	Enterprises over which KMP is able to exercise significant			
	BLC Metals Private Limited	-	0.02	2.17
8	**Sale of Investment**	**36.49**	**-**	**-**
	Key Management Personnel (KMP)			
	Dinesh Garg	32.34	-	-
	Enterprises over which KMP and relative of such personnel is			
	Dinesh Garg HUF	4.15	-	-
9	**Loan Given**	**-**	**240.32**	**24.38**
	Enterprises over which KMP and relative of such personnel is			
	BLC Metals Private Limited	-	240.32	24.38
10	**Loan Received Back**	**-**	**240.32**	**24.38**
	Enterprises over which KMP and relative of such personnel is			
	BLC Metals Private Limited	-	240.32	24.38

11	**Amount Paid against Preference Share Redemption**	**104.00**	-	-
	Enterprises over which KMP and relative of such personnel is			
	BLC Metals Private Limited	94.00	-	-
	Dinesh Garg HUF	10.00	-	-
12	**Loans Accepted**	**1.81**	**218.51**	**151.75**
	Key Management Personnel (KMP)			
	Dinesh garg	0.30	33.55	3.13
	Lovlish garg	0.15	33.00	11.62
	Parkash chand garg	0.13	1.73	16.96
	Relatives of KMP			
	Bhanu Garg	-	52.59	49.69
	Bhuvnesh Garg	-	18.50	5.81
	Kanav Garg	-	22.80	20.93
	Pratibha goyal	-	1.04	1.63
	Rajesh Garg	-	9.80	1.39
	Yogita Garg	0.10	20.25	2.99
	Anju Garg	0.48	19.50	13.13
	Aakanksha Garg	-	2.19	2.64
	Simran Garg	0.40	0.79	-
	Enterprises over which KMP and relative of such personnel is			
	Dinesh Garg HUF	0.25	2.02	8.92
	Lovlish garg HUF	-	0.30	3.55
	Parkash Chand Garg HUF	-	0.45	0.22
	Rajesh Garg HUF	-	-	9.15
13	**Loans Repaid**	**331.73**	**251.35**	**139.65**
	Key Management Personnel (KMP)			
	Dinesh garg	78.72	28.69	2.15
	Lovlish garg	97.31	23.90	7.94
	Parkash chand garg	0.20	18.95	13.71
	Bhuvnesh Garg	15.00	-	-
	Relatives of KMP			
	Rajesh garg	10.05	-	-
	Bhanu Garg	50.00	65.26	27.56
	Bhuvnesh Garg	-	15.19	4.47
	Ivansh Garg	0.12	-	-
	Kanav Garg	23.08	25.00	19.54
	Pratibha goyal	-	3.76	0.15
	Rajesh Garg	-	-	11.29
	Simran Garg	1.19	-	-
	Yogita Garg	16.07	9.50	7.33
	Anju Garg	33.45	19.60	18.58
	Aakanksha Garg	-	11.97	0.51
	Enterprises over which KMP and relative of such personnel is			
	Dinesh Garg HUF	0.79	5.40	13.01
	Lovlish garg HUF	4.03	0.20	2.95
	Parkash Chand Garg HUF	1.01	15.68	0.18
	Rajesh Garg HUF	0.71	8.25	10.28

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C Details of balances outstanding as at the end of the period

Sr. No.	Particulars	Total		
		As at 31-Mar-25	As at 31-Mar-24	As at 31-Mar-23
1	**Closing Balance of Investment**	**-**	**31.88**	**29.49**
	Enterprises over which KMP and relative of such personnel is			
	BLC Metals Private Limited	-	31.88	29.49
	Amount payable on the last day of the year			
2	**Loans**	**-**	**329.80**	**360.92**
	Enterprises over which KMP and relative of such personnel is			
	Dinesh Garg HUF	-	0.54	3.88
	Lovlish Garg HUF	-	4.03	3.64
	Parkash Chand Garg HUF	-	1.01	15.28
	Rajesh Garg HUF	-	0.71	8.51
	Key Management Personnel (KMP)			
	Lovlish garg	-	97.16	88.06
	Parkash chand garg	-	0.07	17.29
	Dinesh Garg	-	78.32	73.46
	Relatives of KMP			
	Bhanu Garg	-	50.00	62.67
	Bhuvnesh Garg	-	15.00	11.69
	Ivansh Garg	-	0.12	0.12
	Kanav Garg	-	23.08	25.28
	Pratibha goyal	-	-	2.72
	Rajesh Garg	-	10.05	0.25
	Yogita Garg	-	15.96	5.22
	Aakanksha Garg	-	-	9.79
	Anju Garg	-	32.97	33.07
	Simran Garg	-	0.79	-
3	**Salary payable***	**0.22**	**0.18**	**0.23**
	Relatives of KMP			
	Rajesh Garg	-	0.00	0.01
	Aakanksha Garg	-	-	0.04
	Bhuvnesh Garg	-	0.05	0.07
	Kanav Garg	0.06	0.13	0.11
	Key Management Personnel (KMP)			
	Lovlish Garg	0.00	-	-
	Aakarsh Goyal	0.08	-	-
	Dinesh Garg	0.02	-	-
	Bhuvnesh Garg	0.06	-	-
4	**Managerial remuneration***	**-**	**0.02**	**0.43**
	Key Management Personnel (KMP)			
	Dinesh Garg	-	0.00	0.22
	Lovlish Garg	-	0.02	0.21
5	**Rent payable**	**-**	**-**	**0.47**
	Relatives of KMP			
	Yogita Garg	-	-	0.29
	Anju Garg	-	-	0.11
	Enterprises over which KMP and relative of such personnel is			
	Rajesh Garg HUF	-	-	0.07

"0.00" represents figures below rounding-off norms / negligible amounts

Note- (i) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors. Outstanding balances at the year-end is unsecured.

(ii) Personal Guarantees of the Directors have been provided for Loan.(Refer Note No. 18)

* (iii) Long-term employee benefits for Key Managerial Personnel and Relatives of Key Managerial Personnel
The personnel except Dinesh Garg and Lovlish Garg are covered by Company's gratuity policy and are eligible for compensated absences along with other employees of the Company. The proportionate amount of gratuity and compensated absences cost pertaining to managerial remuneration and salary payable have not been included in aforementioned disclosures as these are not determined on individual basis.

40 Disclosures of Financial instruments

(a) The carrying value and fair value of financial instruments by categories at the end of each reporting period is pending at the end as follows:

As at 31-March-2025

Particulars	Amortized cost	At fair value through Profit and		At fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial Assets:							
Other financial non-current assets	86.64					86.64	86.64
Current Investments	-					-	-
Trade receivables	783.86					783.86	783.86
Cash and cash equivalents	24.59					24.59	24.59
Other Bank Balances	303.16				-	303.16	303.16
Other financial current assets	27.17					27.17	27.17
Total	**1,225.42**	**-**	**-**	**-**	**-**	**1,225.42**	**1,225.42**
Financial Liabilities:							
Long term borrowings	7.56					7.56	7.56
Short term borrowings	68.21					68.21	68.21
Trade payables - current	244.17					244.17	244.17
Other financial current liabilities	127.65					127.65	127.65
Total	**447.59**	**-**	**-**	**-**	**-**	**447.59**	**447.59**

As at 31-March-2024

Particulars	Amortized cost	At fair value through Profit and Loss		At fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial Assets:							
Other financial non-current assets	129.27					129.27	129.27
Current Investments			31.88			31.88	31.88
Trade receivables	813.39					813.39	813.39
Cash and cash equivalents	4.71					4.71	4.71
Other Bank Balances	286.22				-	286.22	286.22
Other financial current assets	4.81					4.81	4.81
Total	1,238.40	-	31.88	-	-	1,270.28	1,270.28
Financial Liabilities:							
Long term borrowings	68.15					68.15	68.15
Short term borrowings	343.98					343.98	343.98
Trade payables - current	109.78					109.78	109.78
Other financial current liabilities	48.50					48.50	48.50
Total	570.41	-	-	-	-	570.41	570.41

As at 31-Mar-2023

Particulars	Amortized cost	At fair value through		At fair value through OCI		Total carrying value	Total Fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Financial Assets:							
Non-Current Investments	-		29.49			29.49	29.49
Other financial non-current assets	29.27					29.27	29.27
Trade receivables	656.75					656.75	656.75
Cash and cash equivalents	19.40					19.40	19.40
Other Bank Balances	3.49				-	3.49	3.49
Other financial current assets	2.31					2.31	2.31
Total	711.22	-	29.49	-	-	740.71	740.71
Financial Liabilities:							
Long term borrowings	303.83					303.83	303.83
Short term borrowings	332.56					332.56	332.56
Trade payables - current	114.28					114.28	114.28
Other financial current liabilities	42.08					42.08	42.08
Total	792.75	-	-	-	-	792.75	792.75

Annexure- VI Notes forming part of these Restated Financial Statements

Fair Valuation Techniques:

The Company maintains policies and procedures to value Financial Assets & Financial Liabilities using the best and most relevant data available. The Fair Values of the Financial Assets and Liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company has disclosed financial instruments such as Trade receivables, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values.

(b) Basis of Fair value of Financial assets and liabilities

(i) Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As at 31-March-2025

Particulars	**Fair Value**	**Fair Value measurement using**			**Fair value technique**
		Level 1	**Level 2**	**Level 3**	
Financial Assets Current investments at fair value through Profit and Loss	-	-	-	-	-
Total	-	-	-	-	

As at 31-March-2024

Particulars	Fair Value	Fair Value measurement using			Fair value technique
		Level 1	Level 2	Level 3	
Financial Assets Current investments at fair value through Profit and Loss	31.88	-	31.88	-	Book value as per the latest audited financial statements
Total	31.88	-	31.88	-	

As at 31-Mar-2023

Particulars	Fair Value	Fair Value measurement using			Fair value technique
		Level 1	Level 2	Level 3	
Financial Assets Non-current investments at fair value through Profit and Loss	29.49	-	29.49	-	Book value as per the latest audited financial statements
Total	29.49	-	29.49	-	

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41 Financial Risk Management

The financial assets of the company include investments, trade and other receivables and cash and bank balances that derive directly from its operations. The financial liabilities of the company include loans and borrowings, trade payables, and other payables, and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The company is mainly exposed to the following risks that arise from financial instruments:

(i) Market risk

(ii) Liquidity risk

(iii) Credit risk

The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: foreign currency risk and interest rate

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The company imports certain Property, Plant and Equipment and material from outside India and export finished goods. The exchange rate between the Indian rupee and foreign currencies has fluctuated in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The Company's exposure to foreign currency risk was based on the following amounts as at the reporting dates:

Financial Assets

Particulars	As at 31-March-2025		As at 31-March-2024		As at 31-March-2023	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
Trade receivable						
-In USD	-	-	-	-	-	-
-In EURO	0.61	55.04	0.57	50.46	0.27	23.81
Trade Payables						
-In USD	0.15	13.07	0.37	31.06	0.09	7.93
In EURO	-	-	-	-	-	-
Net exposure						
-In USD	(0.15)	(13.07)	(0.37)	(31.06)	(0.09)	(7.93)
-In EURO	0.61	55.04	0.57	50.46	0.27	23.81

Of the above foreign currency exposures, the Company has not hedged any foreign exposures.

Foreign currency sensitivity analysis

Any changes in the exchange rate of USD and EURO against INR is not expected to have significant impact on the Company's profit due to the less exposure of these currencies. Accordingly, a 2% appreciation/depreciation of the INR as indicated below, against the USD and EURO would have reduced/increased profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant:

Particulars	31-March-2025		31-March-2024		31-March-2023	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
2% Strengthening / weakening of USD against INR	(0.26)	0.26	(0.62)	0.62	(0.16)	0.16
2% Strengthening / weakening of EURO against INR	1.10	(1.10)	1.01	(1.01)	0.48	(0.48)

Annexure- VI Notes forming part of these Restated Financial Statements

(b) Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates exposes to cash flow risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

Interest Rate Risk Exposure

Particulars	As at 31-March-2025		As at 31-March-2024		As at 31-March-2023	
	In ₹	% of Total	In ₹	% of Total	In ₹	% of Total
Fixed Rate Borrowings	45.69	60.29%	386.74	93.84%	450.92	70.86%
Variable Rate Borrowings	30.09	39.71%	25.39	6.16%	185.46	29.14%
Total Borrowings	**75.78**	**100.00%**	**412.13**	**100.00%**	**636.38**	**100.00%**

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31-Mar-2025	As at 31-Mar-2024	As at 31-Mar-2023
Increase in 100 basis point	0.30	0.25	1.85
Decrease in 100 basis point	(0.30)	(0.25)	(1.85)

(ii) Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulty to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash to meet the obligations as and when falls due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	**As at 31-Mar-2025**	**As at 31-Mar-2024**	**As at 31-Mar-2023**
Long term borrowing including current maturities	**11.68**	**72.07**	**308.13**
Less than 1 year	4.12	3.92	4.31
1-2 year	4.48	8.93	240.59
2-5 year	3.08	2.29	8.26
5-10 year	-	-	-
Later	-	56.93	54.97
Short term borrowings	**18.40**	**340.06**	**328.24**
Less than 1 year	18.40	340.06	328.24
1-2 year	-	-	-
2-5 year	-	-	-
5-10 year	-	-	-
Later	-	-	-

Trade Payables	**244.17**	**109.78**	**114.28**
Less than 1 year	244.17	109.78	114.28
1-2 year	-	-	-
2-5 year	-	-	-
5-10 year	-	-	-
Later	-	-	-
Other Financial liabilities	**127.67**	**48.50**	**44.10**
Less than 1 year	127.67	48.50	44.10
1-2 year	-	-	-
2-5 year	-	-	-
5-10 year	-	-	-
Later	-	-	

(iii) Credit Risk

Credit risk refers to the risk of default on its contractual terms or obligations by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies.

The company assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of Trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The following table gives details in respect of percentage of revenues generated from top one customer and top five customer:

Particulars	Financial Year 2024-25	Financial Year 2023-24	Financial Year 2022-23
(a) Revenue from top five customers			
Revenue from top customer (%)	8.39%	7.81%	7.37%
Revenue from top five customers (%)	27.82%	27.41%	29.68%

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial asset.

42 Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's gearing ratio was as follows:

Particulars	**As at 31-Mar-2025**	**As at 31-Mar-2024**	**As at 31-Mar-2023**
Borrowings including current	76.52	412.33	636.38
Less: Cash & cash equivalent	327.76	290.92	22.89
Net debt (A)	(251.24)	121.41	613.48
Total equity (B)	2,416.14	1,939.41	1,195.94
Gearing ratio (A/B)	N.A.	0.06	0.51

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

There were no changes in the objectives, policies or processes for managing capital during the period ended 31-Mar-2025, year ended 31-Mar-2024, 31-Mar-2023 and 31-Mar-2022.

Annexure- VI Notes forming part of these Restated Financial Statements

43 In accordance with the Ind AS-36 on Impairment of Assets, the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

44 Reconciliation of Cash flow from financing Activities

In pursuant to amendment in the companies (Indian Accounting Standards) Rules, 2017 via MCA notification G.S.R 258(E) dated 17-Mar-2017 Para 44A to Para 44E has been inserted after Para 44 in Indian accounting Standard-7 " Statement of Cash Flows" for the period beginning on 1-April-2017

	Particulars	Current borrowing	Non-current borrowing including current maturities
	Opening balance of Financial liabilities as on 01-April-2024 coming under the financing activities of Cash Flow Statement	340.06	72.07
	Changes during the year		
a)	Changes from financing cash flow	(270.74)	(59.80)
b)	Changes arising from obtaining or losing control of subsidiaries or other business	-	-
c)	The effect of changes in foreign exchanges rates- (Gain)/Loss	-	-
d)	Changes in fair value	-	-
e)	Other changes-Dividend on redeemable preference shares	(5.23)	-
	Closing balance of Financial liabilities as on 31-March-2025 coming under the financing activities of Cash Flow Statement	**64.09**	**12.27**

	Particulars	Current borrowing	Non-current borrowing including current maturities
	Opening balance of Financial liabilities as on 01-April-2023 coming under the financing activities of Cash Flow Statement	**328.24**	**308.13**
	Changes during the year		
a)	Changes from financing cash flow	11.82	(238.02)
b)	Changes arising from obtaining or losing control of subsidiaries or other business	-	-
c)	The effect of changes in foreign exchanges rates- (Gain)/Loss	-	-
d)	Changes in fair value	-	-
e)	Other changes-Dividend on redeemable preference shares	-	1.96
	Closing balance of Financial liabilities as on 31-March-2024 coming under the financing activities of Cash Flow Statement	**340.06**	**72.07**

	Particulars	Current borrowing	Non-current borrowing including current maturities
	Opening balance of Financial liabilities as on 01-Apr-2022 coming under the financing activities of Cash Flow Statement (Pre Merger)	**59.82**	**133.63**
	Pursuant to scheme of Merger#	174.79	141.09
	Opening balance of Financial liabilities as on 01-Apr-2022 coming under the financing activities of Cash Flow Statement (Post Merger)	**234.61**	**274.72**
	Changes during the year		
a)	Changes from financing cash flow	268.43	172.61
b)	Changes arising from obtaining or losing control of subsidiaries or other business	-	-
c)	The effect of changes in foreign exchanges rates- (Gain)/Loss	-	-
d)	Changes in fair value	-	-
e)	Other changes-Dividend on redeemable preference shares	-	1.89
	Closing balance of Financial liabilities as on 31-Mar-2023 coming under the financing activities of Cash Flow Statement	**328.24**	**308.13**

refer note no. 49

45 Auditor's Remuneration

Particulars	As at 31-Mar-25	As at 31-Mar-24	As at 31-Mar-23
Statutory Audit Fee	1.00	1.00	0.09
Tax Audit Fees	0.20	-	-
Reimbursement of Expenses	0.15		
Other Services	1.20	-	-
	2.55	**1.00**	**0.09**

46 Disclosures Required Under Section 22 Of The Micro, Small And Medium Enterprises Development Act, 2006:

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

	Particulars	As at 31-Mar-25	As at 31-Mar-24	As at 31-Mar-23
i.	Principal amount remaining unpaid to any supplier as at the end of the accounting	15.64	19.03	24.21
ii.	Interest due thereon remaining unpaid to any supplier as at the end of the	0.01	-	-
iii.	The amount of interest paid by the buyer in terms of section 16 of the MSME Act, along with the amount of payment made to the suppliers beyond the appointed day during each accounting year	-	-	-
iv.	The amount of interest paid along with the amount of payment made to the suppliers beyond the appointed day	-	-	-
v.	The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSME act	-	-	-
vi.	The amount of interest accrued and remaining unpaid at the end of the accounting	0.01	-	-
vii.	The amount of further interest due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of dis-allowance as a deductible expenditure under	-	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

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Annexure- VI Notes forming part of these Restated Financial Statements

47 Expenditure on Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "CSR Rules"), a company, meeting the applicability criteria requires to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities as provided in Schedule VII of the Companies Act, 2013. The CSR activities are monitored by the CSR Committee formed by the Board of Directors in accordance with the provisions of the Section 135 of the Companies Act 2013 read with CSR Rules.

Particulars	For the period ended 31-Mar-25	For the year ended 31-Mar-24	For the period ended 31-Mar-23
Gross amount required to be spent on CSR activities pursuant to section 135	7.85	6.05	4.23
Add: Amount of previous years shortfall	2.26		
Less: Amount of expenditure incurred	11.68	6.08	3.10
Less: Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	0.03	-	1.14
Shortfall/(Surplus) at the end of the year	(1.60)	(0.03)	-
Nature of CSR activities	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;		Education, Improvement in health care and medical relief, women empowerment and Animal Welfare.
Total of previous years shortfall	-	2.26	2.26
Reasons of shortfall	The Company is in process of identifying eligible projects/entities.		The Company is in process of identifying eligible projects/entities.
Details of related party transactions, e.g. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	-	-	-
Provision made w.r.t liability incurred by entering into a contractual obligation	-	-	-
Movement during the year in previous years provision made for contractual obligations	-	-	-

48 Additional Regulatory Information

i The title deeds of all the immovable properties are held in the name of the Company, except for the following:

Description of property	**Gross carrying value (₹ in Millions)**	**Held in the name of**	**Whether promoter, director or their relative or employee**	**Period held (i.e. dates of capitalisation provided in range)#**	**Reason for not being held in the name of the Company**
Freehold Land	39.28	Belco Special Steels Private Limited	No	April'2022	The land was acquired through amalgamation/merger; however, the change of name in the records to reflect the name of the Company was under process and completed in June' 2025

#Date has been considered with effect from merger set out in Note 49 to the financial statements.

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Annexure- VI Notes forming part of these Restated Financial Statements

ii The Company is not holding any investment property.

iii The Company has not revalued any of its Property, Plant & Equipment.

iv The Company has not revalued any of its Intangible Assets.

v The Company has not given any loan or advances to its Promoters, Directors, KMP and related Parties as defined under Companies Act, 2013.

vi The Company does not hold any Benami property defined under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Further, no proceedings have been initiated during the year or are pending against the Company for holding any benami property.

vii The company has borrowings from banks on the basis of security of current assets. The company regularly files the stock/ book debts statements to the bank in respect of said borrowings. The company has made a comparison of the data furnished in such statements with the data as per the books of accounts. The summary of reconciliation and reasons of material discrepancies are as follows: -

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22	The company submits common stock and book debt statements for allocation of drawing power to the following banks- 1) HDFC Bank 2) ICICI Bank	Inventories	Refer Note-1 below	376.50	N.A.	Refer Note-1 below
Sep-22		Inventories	Refer Note-1 below	374.24	N.A.	Refer Note-1 below
Dec-22		Inventories	Refer Note-1 below	468.95	N.A.	Refer Note-1 below
Mar-23		Inventories	599.12	569.04	30.08	Refer Note-2 below
Jun-22		Book Debts	884.67	878.36	6.31	Refer Note-3 below
Sep-22		Book Debts	901.32	904.90	(3.58)	Refer Note-3 below
Dec-22		Book Debts	605.25	660.57	(55.33)	Refer Note-3 below
Mar-23		Book Debts	656.75	656.26	0.49	Refer Note-3 below
Jun-23	The company submits common stock and book debt statements for allocation of drawing power to the following banks- 1) HDFC Bank 2) ICICI Bank	Inventories	Refer Note-1 below	551.99	N.A.	Refer Note-1 below
Sep-23		Inventories	Refer Note-1 below	550.14	N.A.	Refer Note-1 below
Dec-23		Inventories	Refer Note-1 below	604.86	N.A.	Refer Note-1 below
Mar-24		Inventories	605.60	595.59	10.01	Refer Note-2 below
Jun-23		Book Debts	820.64	821.60	(0.96)	Refer Note-3 below
Sep-23		Book Debts	801.09	800.73	0.36	Refer Note-3 below
Dec-23		Book Debts	855.08	858.48	(3.40)	Refer Note-3 below
Mar-24		Book Debts	813.39	837.00	(23.61)	Refer Note-3 below
Jun-24	The company submits common stock and book debt statements for allocation of drawing power to the following banks- 1) HDFC Bank 2) ICICI Bank	Inventories	Refer Note-1 below	777.72	N.A.	Refer Note-1 below
Sep-24		Inventories	Refer Note-1 below	680.80	N.A.	Refer Note-1 below
Dec-24		Inventories	Refer Note-1 below	787.87	N.A.	Refer Note-1 below
Mar-25		Inventories	810.98	760.18	50.81	Refer Note-2 below
Jun-24		Book Debts	801.42	881.65	(80.23)	Refer Note-3 below
Sep-24		Book Debts	1,427.64	1,427.85	(0.20)	Refer Note-3 below
Dec-24		Book Debts	891.93	894.22	(2.29)	Refer Note-3 below
Mar-25		Book Debts	783.86	824.53	(40.67)	Refer Note-3 below

Note-1 - The company for the purpose of Books of accounts and financial statements prepare and calculate valuation of various types of inventories annually i.e. at the end of Financial Period. Also, the company is not required under any Statute/ Law to prepare and calculate valuation of various types of inventories quarterly. While submitting the quarterly Stock/ Books Debt Statements to the various banks, the value of inventory was calculated on an estimation basis and in the opinion of the Management that valuation is done on conservative basis. All the banks are duly accepting the quarterly returns submitted by the company and no objections whatsoever regarding the same has ever been raised by the said banks.

Note-2 - The amount of inventories as at 31.03.2023, 31.03.2024 and 31.03.2025 is as per audited Balance Sheet. The difference in the value of inventory as per books of account and as per the return submitted to the bank is due to the reason that the stock statement was filed in April 2025 itself and the valuation of inventory is being done on a later date.

Note-3 - Due to various accounting entries which were pending to be posted in accounting software and were accounted for after the submission of book debt statement to the banks.

viii The Company has never been declared as wilful defaulter by any bank or financial institution or other lenders.

ix As per management, there is no relationship of the company with struck off companies.

x All the charges are duly registered with the ROC within the prescribed time under the Companies Act 2013 & Rules made there under.

xi The Company has no subsidiary as prescribed under clause (87) of section 2 of the Act and have no layers of subsidiaries as per the Companies (Restriction on number of Layers) Rules, 2017.

xii There is scheme of Arrangement approved during the periods covered. (refer note no. 49).

xiii The company has not availed any term loan during the year. The share premium and working capital borrowing has been utilised by the company in its own business, the company has not loaned or advanced or invested funds to any other person(s) or entity(ies), including foreign entities with any understanding.

xiv The company has not traded or invested in Crypto currency or Virtual currency during the financial year.

xv There is no income that has been surrendered or disclosed as income during the year in Tax Assessments under Income Tax Act,1961.

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Annexure- VI Notes forming part of these Restated Financial Statements

49 The Board of Directors of the Company, in its meeting held on 6th February 2023, approved a Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013. The Scheme involved the amalgamation of M/s Belco Special Steels Private Limited (BSSPL) and M/s Parkash Multimetals Private Limited (PMPL) (collectively referred to as the "Transferor Companies") with Behari Lal Engineering Limited (BLEL) (the "Transferee Company"). The Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Chandigarh Bench (Court-II), vide its order dated 22nd August 2024 and came into effect upon filing with the Registrar of Companies, Chandigarh, on 25th September 2024. The appointed date of the Scheme is 1st April 2022.

Since the conditions of the Scheme existed as on 31st March 2024 and the Scheme became effective before the approval of the financial statements, the amalgamation has been treated as an adjusting event in accordance with Ind AS 10 – Events after the Reporting Period. Accordingly, the Company has accounted for the merger using the Pooling of Interest Method as prescribed under Ind AS 103 – Business Combinations for common control transactions, and the financial results for the previous year have been restated to reflect the impact from the appointed date.

In terms of the Scheme, the equity shares held by BSSPL (5,40,000) and PMPL (3,00,000) in the Company stood cancelled. In exchange, fully paid-up equity shares of the Company of ₹10 each were allotted to the shareholders of BSSPL and PMPL in the ratio of 380:100 and 299:100 respectively. Accordingly, 20,52,000 equity shares were allotted to the shareholders of BSSPL and 8,97,000 to those of PMPL. The shares were formally issued on 1st February 2025 to the shareholders whose names appeared in the register of members as on that date. As on 31st March 2024, the shares were pending allotment, and accordingly, an amount of ₹294.90 lakhs was shown as "Equity Share Capital to be Issued Pursuant to Scheme of Amalgamation". In the financial year 31st March 2025, these shares have been formally allotted and included under "Equity Share Capital". Earnings per share (both Basic and Diluted) for the all the years have been calculated considering these issued shares.

As part of the Scheme of Amalgamation, the Company had allotted 1,04,00,000 3.5% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹10 each (aggregating to ₹104.00 Millions) on 18th February 2025 to the preference shareholders of M/s Belco Special Steels Private Limited (Transferor Company 1), in exchange for similar instruments previously held. These preference shares were classified as compound financial instruments under Ind AS 32, with the equity component recognised under "Other Equity" owing to the discretionary nature of dividend payments. On 20th September 2024, the Company advanced ₹104.00 Millions towards the redemption of the aforesaid preference shares. The preference shareholders subsequently tendered their shares, and redemption was approved and recorded on 26th March 2025. Accordingly, the equity component of the compound financial instrument previously recorded under "Other Equity" has been reversed upon redemption.

In addition, as part of the Scheme, 60,00,000 preference shares of ₹10 each issued by BSSPL and held by PMPL stood cancelled.

The difference between the net identifiable assets acquired and the consideration paid on amalgamation amounted to ₹(21.09) Millions. This difference has been adjusted against retained earnings, comprising an addition of ₹44.88 Millions on account of BSSPL and a reduction of ₹65.97 millions on account of PMPL.

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Annexure- VI Notes forming part of these Restated Financial Statements

50 Financial Ratios:

The following are analytical ratios for the year ended 31-Mar-2025, 31-Mar-2024 and 31-Mar-2023:

Ratios	Numerator	Denominator	31-Mar-25	31-Mar-24	*Change %	Remarks	31-Mar-23	*Change %	Remarks
Current ratio (in times)	Current assets	Current liabilities	3.82	3.06	24.94%	Due to increase in Current assets and decrease in current liabilities.	2.54	20.36%	-
Debt-Equity ratio (in times)	Total Debt	Shareholder's Equity	0.03	0.21	-85.24%	Due to repayment of major amount of debt and increase in profit during the year.	0.53	-60.06%	Due to repayment of major amount of debt and increase in profit during the year.
Debt service coverage ratio (in times)	Earnings available for debt service	Interest payments + Principal repayments	9.13	1.08	746.07%	Due to repayment of major amount of debt and increase in profit during the year.	0.60	81.14%	Due to repayment of major amount of debt and increase in profit during the year.
Return on Equity ratio (in %)	Profit after Tax	Average Shareholder's Equity	24.31%	22.83%	6.50%	-	29.63%	-22.95%	-
Inventory turnover ratio (in times)	Revenue from Operation	Average inventory	7.08	7.30	-2.95%	-	8.92	-18.17%	-
Trade receivables turnover ratio (in times)	Revenue from Operation	Average receivables	6.36	6.07	4.80%	-	8.20	-25.95%	Due to decrease in Revenue from Operation and Increase in Trade Receivables.
Trade payables turnover ratio (in times)	Purchases	Average Trade Payables	19.79	29.80	-33.61%	Due to increase in trade payable outstanding during the period.	27.67	7.69%	-
Net capital turnover ratio (in times)	Revenue from Operation	Working Capital (Current Asset - Current Liability)	3.49	3.73	-6.29%	-	5.70	-34.59%	Due to increase in Revenue from Operayion
Net profit ratio (in %)	Profit after Tax	Net Sale (Revenue from Operation - export incentive)	10.43%	8.02%	30.04%	Due to increase in Profit after Tax	6.33%	26.83%	Due to increase in Profit after Tax
Return on Capital employed (in %)	EBIT (PBT before exceptional items +Interest)	Capital employed (Tangible Net Worth+Total Debt+ Deferred Tax	28.24%	21.98%	28.49%	Due to increase in Earnings before	22.60%	-2.74%	-
Return on investment (in %)	Income generated from invested funds	Average invested funds	7.21%	1.95%	269.23%	Due to sale of investment during the period.	5.25%	-62.79%	Due to purchase of investment during the current year.

*** Explanations have been provided for any change in ratio by more than 25% as compared to the preceding year.**

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51 DISCLOSURE AS PER IND AS 101 "FIRST TIME ADOPTION OF IND AS"

Transition to IND AS
The March 2024 Financial Statements, were the first financials, prepared in accordance with Ind-AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31st March, 2024, the comparative information presented in these financial statements for the year ended 31st March, 2023 and 1st April, 2022. The effective date for Companies Ind AS Opening Balance Sheet is 1st April, 2022. (The date of transition to Ind AS).

First Time Adoption of Ind AS
These financial statements, for the year ended 31st March, 2024, are the first annual Ind AS financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2023, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2024, together with the comparative period data as at and for the year ended 31st March, 2023, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 01st April, 2022, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 01st April, 2022 and the previously published Indian GAAP financial statements as at and for the year ended 31st March, 2023.
01st April,2022, is both the appointed date of the scheme approved by the Hon'ble tribunal and the effective date of the IND AS transition.

Optional Exemptions and Mandatory Exceptions
In the Ind AS opening balance sheet as at 1st April, 2022, the carrying amounts of assets and liabilities from the Previous GAAP as at 31st March, 2022 are generally recognized and measured according to Ind AS. However, for certain individual cases, Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its opening Ind AS balance sheet:

i) Deemed Cost
Ind AS 101 permits a first time adopter to elect to carrying value of its property, plant and equipment including Capital work in progress as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively.
The Company has elected to consider carrying value as per previous GAAP as at the date of transition of its property, plant and equipment including Capital work in progress as its deemed cost on the date of transition to Ind AS.

ii) Leases
The Company has elected not to recognise ROU assets and lease liabilities for short term leases as well as low value assets and recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Short term leases are leases with lease term of 12 months or less.

iii) Estimates:
An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error. Ind AS estimates as at 01st April, 2022 and 31st March, 2023 are consistent with the estimates as at the same date made in the conformity with previous GAAP apart from the following items under Indian GAAP did not require estimation:

- Fair values of Financial Assets & Financial Liabilities
- Impairment of Financial Assets based on expected credit loss model
- Discount rates

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2022 and 31st March, 2023.

iv) Classification and measurement of Financial Assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has applied the above requirement on transition date.

BEHARI LAL ENGINEERING LIMITED
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)
CIN: U27109PB1995PLC016490

Annexure- VI Notes forming part of these Restated Financial Statements
All amounts in INR Millions, unless otherwise stated

A. Reconciliation of Balance Sheet as at 31st March 2023 and 1st April 2022

		31.03.2023			01.04.2022		
Particulars	**Note No**	**Previous GAAP***	**Effect of transition to Ind AS**	**As per Ind AS balance sheet**	**Previous GAAP***	**Effect of transition to Ind AS**	**As per Ind AS balance sheet**
Assets							
1. Non Current assets							
(i) Property ,Plant and Equipment		599.56	-	599.56	507.59	-	507.59
(ii) Capital Work in Progress		52.68	-	52.68	5.77	-	5.77
Financial assets							
(i) Investments	a	14.23	15.26	29.49	14.23	12.16	26.39
(ii) Other financial assets	b	30.30	(1.03)	29.27	35.67	(1.28)	34.39
Total (A)		**696.77**	**14.23**	**711.00**	**563.26**	**10.87**	**574.13**
2. Current Assets							
Inventories		599.12	-	599.12	543.91	-	543.91
Financial Assets							
(i) Trade Receivables		656.75	-	656.75	442.39	-	442.39
(ii)Cash and Cash equivalents		19.40	-	19.40	5.03	-	5.03
(iii) Bank balance other than (ii) above		3.49	-	3.49	3.95	-	3.95
(iv) Other financial assets		2.31	-	2.31	0.25	-	0.25
Current tax assets (net)		-	-	-	3.04	-	3.04
Other Current Assets		40.38	-	40.38	85.65	-	85.65
Total (B)		**1,321.44**	**-**	**1,321.44**	**1,084.22**	-	**1,084.22**
Total(A+B)		**2,018.21**	**14.23**	**2,032.44**	**1,647.47**	**10.87**	**1,658.35**
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital	c	144.00	(104.00)	40.00	144.00	(104.00)	40.00
Other Equity	c	1,067.76	58.69	1,126.45	779.52	57.12	836.64
Equity share capital to be issued pursuant to the scheme of Arrangement for Amalgamation#		29.49	-	29.49	29.49	-	29.49
		1,241.25	**(45.31)**	**1,195.94**	**953.01**	**(46.88)**	**906.13**
Non Current Liabilities							
Financial Liabilities							
(i) Borrowing	c&d	410.37	(106.54)	303.82	375.49	(100.77)	274.72
Provisions	b&f	-	5.33	5.33	-	4.71	4.71
Deferred Tax Liabilities (Net)	g	7.30	1.36	8.66	8.57	1.09	9.66
TOTAL (B)		**417.67**	**(99.85)**	**317.82**	**384.07**	**(94.97)**	**289.09**
Current Liabilities							
Financial Liabilities							
(i) Borrowings	d	171.04	161.52	332.55	80.75	153.86	234.61
(ii) Trade and other payables		117.36	-	117.36	154.05	-	154.05
(iii) Other Financial Liabilities		41.02	-	41.02	37.51	-	37.51
Other Current Liabilities		23.63	-	23.63	35.23	-	35.23
Provisions	b&f	3.39	(2.13)	1.26	2.86	(1.13)	1.72
Current Tax Liabilities (Net)		2.87	-	2.87	-	-	-
		359.30	**159.38**	**518.69**	**310.41**	**152.73**	**463.12**
Total		**2,018.22**	**14.24**	**2,032.45**	**1,647.48**	**10.87**	**1,658.35**

* The Previous Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

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BEHARI LAL ENGINEERING LIMITED
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Annexure- VI Notes forming part of these Restated Financial Statements
All amounts in INR Millions, unless otherwise stated

B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2023

Particulars	Note	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Revenue from operations		4,629.28	-	4,629.28
Other income	a	42.24	3.10	45.34
Total Income (I)		**4,671.53**	**3.10**	**4,674.62**
Expenses:				
Cost of materials consumed		3,236.52	-	3,236.52
Purchase of stock-in-trade		100.24	-	100.24
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(65.77)	-	(65.77)
Employee benefits expense	b,e&h	163.71	2.03	165.74
Finance costs	c	31.94	1.89	33.83
Depreciation and amortization expense	b	77.62	(0.26)	77.36
Other expenses		744.45	-	744.45
Total Expenses (II)		**4,288.71**	**3.66**	**4,292.37**
Profit before exceptional items and tax (III=I-II)		382.82	(0.57)	382.25
Exceptional items (IV)		-	-	-
Profit before tax (V=III-IV)		**382.82**	**(0.57)**	**382.25**
Tax expense				
Current tax		94.86	-	94.86
Deferred tax	g	(1.27)	(0.34)	(1.61)
Earlier Year Tax		0.99	-	0.99
Tax expense for the year (VI)		**94.58**	**(0.34)**	**94.24**
Profit/ (Loss) for the year (VII=V-VI)		**288.24**	**(0.22)**	**288.01**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
i) Re-measurement gains/(losses) on defined benefit plans	e&h	-	2.40	2.40
ii) Income tax relating to items that will not be reclassified to profit or loss	g	-	(0.60)	(0.60)
Other Comprehensive Income for the year, net of tax (VIII)		**-**	**1.80**	**1.79**
Total Comprehensive Income for the Year (IX=VI+VIII)		**288.24**	**1.57**	**289.80**

* The Previous Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

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C. Effect of Ind As Adoption on the Statement of Cash Flow for the year ended March 31, 2023

The Transition from Indian GAAP to Ind AS has had no material impact on statement of Cash Flows.

D. Reconciliation of Total Equity as at 31st March 2023 & April 1, 2022 between previous GAAP & Ind AS

Particulars	Note	As at March 31, 2023	As at April 1, 2022
Total Equity under previous GAAP		1,241.25	953.01
Adjustments made :			
Liability Component of Compound Financial Instrument (3.5% non-cumulative non-convertible redeemable preference shares)	c	(51.70)	(51.70)
Recognition of dividend on Preference Shares	c	(3.28)	(1.39)
Impact of fair valuation of investments under Ind AS	a	15.26	12.16
Adjustments of Prior Period Error	b	(4.23)	(4.86)
Impact of Deferred Tax	g	(1.36)	(1.09)
Total Equity as per IND AS		**1,195.94**	**906.13**

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Annexure- VI Notes forming part of these Restated Financial Statements
All amounts in INR Millions, unless otherwise stated

Notes to the reconciliation of Balance Sheet as at April 1, 2022 and March 31, 2023, total comprehensive income & Cash Flow Statement for the year ended March 31, 2023

a. Under previous GAAP, investments were carried at cost. Under Ind AS, investments are carried at fair value through Profit. Net effect of this change is increase in non current investments by ₹15.26 million as at March 31, 2023 (₹12.16 million as at April 1,2022).There had been increase in other income by ₹3.10 million for the year ended march 31, 2023 and increase in retained earnings by ₹12.16 million as at April 1,2022.

b. Ind AS 8 requires rectification of material prior period errors with retrospective effect. Hence prior period items were shown in comparative year adjusted by restating the opening balances of retained earning, asset and liability at the transition date. Hence the retained earning decreased by ₹4.86 million as at April 1,2022. Prior period expense of ₹0.63 million reduced for the year ended March 31, 2023.Corresponding impact is recognised in other non-current financial assets (decreased by ₹1.28 million as at March 31, 2023 (₹1.28 million as at April 1,2022)) and provision (increased by ₹3.20 million as at March 31, 2023 (₹3.58 million as at April 1,2022)).

c. Under previous GAAP, 3.5% 3.5% non-cumulative non-convertible redeemable preference shares were classified as part of total equity. However under Ind AS these preference shares contain equity component and hence, had been bifurcated into financial liability and equity component. The resultant dividends had been recognised as finance cost in profit and loss. The net effect of this change is a decrease in total equity by ₹51.70 million as at March 31, 2023 (₹51.70 million as at April 1, 2022) with corresponding increase in financial liabilities and increase in finance cost by ₹1.89 million for the year ended March 31, 2023 and decrease in retained earnings by ₹1.39 million as at April 1,2022 with corresponding increase in financial liabilities ₹3.28 million as at March 31, 2023 (₹1.39 million as at April 1, 2022).

d. Borrowings of ₹161.51 million as at March 31, 2023 (₹153.86 million as at April 1, 2022) have been reclassified under 'Current Financial Liabilities-Borrowings '. Under the previous GAAP, these were classified under 'Non Current Financial Liabilities-Borrowings'.

e. Under Ind AS, re-measurements i.e. actuarial gains and losses are to be recognized in 'Other comprehensive income' and are not to be reclassified to profit and loss in a subsequent period. Under the Indian GAAP, these remeasurements were forming part of the profit or loss. Therefore, actuarial gain/loss amounting to ₹2.40 million for the financial year 2022-23 has been recognized in OCI which was earlier recognized as Employee Benefit Expense/ Income. However, the same has no impact on the total equity as at 31st March 2023

f. Non Current Provision of Gratuity of ₹5.34 million as at March 31, 2023 (₹4.71 million as at April 1, 2022) has been reclassified. Under the previous GAAP, these were classified under 'Current Provision'.

g. Under the previous GAAP, deferred tax was recognized for the temporary timing differences which focus on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an assets or liability in the balance sheet and its tax base. Further, the application of Ind AS has resulted in recognition of certain temporary differences which was not required under Indian GAAP. Accordingly, deferred tax adjustments have been recognized in correlation to the underlying transactions in retained earnings/OCI in accordance with Ind AS. This has resulted decrease in retained earnings on 1st April 2022 by ₹1.09 million and decrease in retained earnings on 31st March 2023 by ₹1.36 million with corresponding adjustment in Deferred Tax Liability/(Asset).

h. Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in other comprehensive income.

i. The transition from Indian GAAP to Ind AS has had no material impact on statement of cash flows.

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Annexure- VI Notes forming part of these Restated Financial Statements

52 The company has complied with the provisions of Section 186(4) of the companies act, 2013 in respect of investments made (refer note no: 4 & 8).

53 Ind-As 20 "Accounting for Government Grants and Disclosure of Government Grant Assistance", gives the option of presentation of amount of Government Grants related to income, either showing separately or under a general heading such as 'Other income'; alternatively, they are deducted in reporting the related expense. The Company made the accounting policy choice of presentation of amount of Government Grant related to income in the balance sheet by showing separately under a general heading such as 'Other income'.

54 Balance of certain advances, creditors (including MSME) and receivables are in process of confirmation/reconciliation. Management believe that on confirmation/reconciliation, there will not be any material impact on the statement of financial statements.

55 Events occuring after the reporting period

The Board of Directors, in its meeting held on 1st May, 2025, approved the issue of fully paid-up bonus shares in the ratio of 4:1 (four equity share for every one equity share held) by capitalising the Company's reserves available for bonus distribution as at 1st May, 2025. The bonus issue was approved by the shareholders in the Extraordinary General Meeting dated 17th April, 2025.

Although the bonus shares were approved after the reporting date, the effect of the same has been considered in the calculation of **Basic and Diluted Earnings Per Share (EPS)** for all periods presented in these financial statements, in accordance with the requirements of Ind AS 33 Earnings Per Share.

No adjustments, other than those relating to EPS calculation, have been made to the financial statements as at and for the year ended 31st March, 2025, in accordance with Ind AS 10 Events after the Reporting Period.

56 Figures in bracket indicate deductions.

57 Previous year figures have been regrouped/recasted/rearranged wherever necessary to conform to its classification of the current period.

As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
ICAI Firm Registration Number: 000497N

Sd/-
Aditya Kumar
Partner
Membership No. 506955

Place : Ludhiana
Date : September 8, 2025

For and on behalf of the Board of Directors
Behari Lal Engineering Limited
(Formerly Known as BEHARI LAL ENGINEERING PRIVATE LIMITED)
(Formerly Known as BEHARI LAL ISPAT PRIVATE LIMITED)

Sd/-
Dinesh Garg
Director
DIN - 00215117

Sd/-
Lovlish Garg
Director
DIN - 02000916

Sd/-
Aakarsh Goyal
Chief Financial Officer

Sd/-
Bhuvnesh Garg
Chief Executive Officer

Sd/-
Sanjeev Kumar Sehgal
Company Secretary and Compliance Officer
Membership No. A68134

Place : Ludhiana
Date : September 8, 2025

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

(In ₹ million, unless otherwise stated)

Particulars	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Basic EPS[(1)(3)] (in ₹)	13.56	10.07	8.29
Diluted EPS[(2)(3)] (in ₹)	13.56	10.07	8.29
Return on Net worth (RoNW)[(4)] (in %)	21.92	18.48	24.10
Net asset value[(5)] (in ₹ per share) (After adjusting for bonus shares)	61.89	54.47	34.39
EBITDA[(6)] (₹ in million)	813.12	609.86	493.44

Notes:

1. *Basic Earnings per share (₹) = Net profit/ (loss) after tax, as restated attributable to equity shareholders divided by weighted average number of Equity Shares of face value of ₹ 10 each outstanding during the year as per Ind AS 33 – Earnings per share.*
2. *Diluted Earnings per share (₹) = Net profit / (loss) after tax, as restated attributable to equity shareholders divided by weighted average number of diluted Equity Shares of face value of ₹ 10 each outstanding during the year as per Ind AS 33 – Earnings per share.*
3. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015 after adjusting for bonus shares.*
4. *Return on Net Worth (%) = Net Profit after tax, for the year divided by Net worth as at the end of the year.*
5. *Net Asset Value per Equity Share = Net Worth at the end of the year divided by weighted average number of Equity Shares. Weighted average number of Equity Shares of face value of ₹ 10 each represents the shares used for computing Basic EPS.*
6. *EBITDA is profit before tax less depreciation and amortization expense and finance cost.*

In accordance with the SEBI IDCR Regulations, the audited financial statements of our Company as at and for each of the years ended March 31, 2025, March 31, 2024, and March 31, 2023, and the reports thereon; (**Audited Financial Statements**) are available at www.beharilalengineering.com/investors

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider for subscribing to or purchasing any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Company or any of its advisors, nor the BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this section, is set out below:

Reconciliation of profit / loss for the year to EBITDA and EBITDA Margin

The table below reconciles profit/ (loss) for the year to EBITDA. EBITDA is calculated as a sum of restated profit/loss for the year, tax expense, depreciation expense and finance cost, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(₹ in million, unless stated otherwise)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations (A)	5,079.12	4,460.84	4,629.28
Profit after tax for the year	529.51	357.91	288.01
Finance costs	13.58	23.09	33.83

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Depreciation and amortisation expense	105.91	87.58	77.36
Tax expense	164.12	141.28	94.24
EBITDA (B)	813.12	609.86	493.44
EBITDA Margin (%) (B/A*100)	16.01	13.67	10.66

Reconciliation of Net Worth to Net Asset Value per Equity Share

Net Asset Value per Equity Share is calculated as Net Worth divided by weighted average number of Equity Shares as set out below:

(₹ in million, unless stated otherwise)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net Worth (A)	2,416.16	1,936.59	1,194.92
Weighted Average Equity Shares (B)	39,039,325	35,554,586	34,745,000
Net Asset Value per Equity Shares (A/B)	61.89	54.47	34.39

Reconciliation of Return on Net Worth

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit After Tax (A)	529.51	357.91	288.01
Net Worth (B)	2,416.16	1,936.59	1,194.92
Return on Net Worth (A/B) (%)	21.92	18.48	24.10

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind As 24 'Related Party Disclosures' for Fiscal 2025, Fiscal 2024, and Fiscal 2023, read with SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Statements, see '*Restated Financial Statements - Note 39 – Related Party Disclosures'* on page 421.

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of its business for the purposes of working capital and other business requirements. For details of the borrowing powers of our Board, see '*Our Management – Borrowing Powers of Board*' on page 345.

Our Company has obtained the necessary consents required under the loan agreements entered into in connection with and for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

The following table sets forth the details of our aggregate consolidated outstanding borrowings as on August 31, 2025:

(₹ in million)

Category of Borrowing	Sanctioned Amount	Amount outstanding as on August 31, 2025
Secured		
Fund Based Borrowings		
Overdraft against fixed deposit	213.54	92.43
Cash credit	310.00	0.01
Pre shipment credit facility	10.00	Nil
Business banking - Working capital term loan	6.51	5.43
Business banking - Working capital term loan	5.77	4.59
Overdraft Against Fixed Deposit	145.00	Nil
Total fund based borrowings (A)	**690.82**	**102.46**
Non Fund Based Borrowings		
Retail Bank Guarantee	0.28	Nil
Bank Guarantee	44.20	23.10
Letter of Credit	10.00	Nil
Total Non Fund Based Borrowings (B)	**54.48**	**23.10**
Total Secured Borrowings (C=A+B)	**745.30**	**125.56**
Unsecured Borrowings		
Fund Based Borrowings		
Nil	Nil	Nil
Non Fund Based Borrowings		
DRUL (Drop Line Overdraft)	60.00	3.91
Pre Settlement Risk	3.00	Nil
Derivative	20.00	6.47
Total Non Fund Based Borrowings (D)	**83.00**	**10.38**
Total Unsecured Borrowings (E)	**83.00**	**10.38**
Total Borrowings (C +E)	**828.30**	**135.94**

As certified by M/s Ashwani & Associates, Chartered Accountant (Firm No. 000497N), pursuant to a certificate dated September 26, 2025.

Principal terms of the borrowings availed by our Company:

1. ***Interest/ Commission:*** The interest rate for our overdraft / cash credit / working capital facilities is typically the base rate of a specified lender plus a specified spread per annum. The spread varies amongst different facilities and typically ranges from 8.60% per annum to 8.75% per annum.

2. ***Tenor:*** The tenor of our working capital facilities is typically for 90 days or 12 months. In case of term loans, the remaining period ranges from 2.5 years to 3 years.

3. ***Re-payment*:** The working capital facilities availed by us are typically repayable on demand or on their respective due dates within the maximum tenure. The term loans availed by us are typically repayable in structured instalments, as per the repayment schedule stipulated in the relevant loan documentation.

4. ***Pre-payment*:** Up to 4% of loan Principal outstanding for Term loan and 4% of the sanctioned amount for Working Capital Facility (plus taxes). Micro and Small Enterprises, as per BCSBI guidelines, prepayment charges will not be levied if the said borrower is prepaying the floating rate loans and for fixed rates loans up to a cap of 50 lakhs to reduce the business liabilities. Bank reserves the right to enquire or ask the documentary proof of source of funds for closure request of loans.

5. **Restrictive Covenants:** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities. For instance, certain corporate actions for which we require the prior written consent from the relevant lender include but not limited to:

   a. effecting changes in the Company's capital structure or constitution;

   b. effecting changes in the management, the board composition or the operating structure of the Company including changes to the remuneration or commission or fees, or appointment of key managerial personnel;

   c. effecting changes in the shareholding pattern of the Company, including shareholding of principal shareholders, promoters, promoter group, directors, other associate firms and group companies in the Company;

   d. identification / reclassification of promoters in terms of the Companies Act and the SEBI ICDR Regulations

   e. effecting lock-in of shares by the promoters / directors / sponsors or other shareholders of the company, or any change thereof, in relation to or for the purposes of the Offer,

   f. undertaking an offer for sale of Equity Shares in the Offer by the existing shareholders of the Company including the promoters/ sponsors or dilution of the current shareholding of the promoters / sponsors through the Offer;

   g. amending the memorandum of association and articles of association of the Company;

   h. using the Offer proceeds to repay/pre-pay in part or full the existing borrowings of the Company under the Loan documentation, and from other lenders, as determined by the Company or to undertake any expansion of the business of the Company including by acquiring fixed assets or undertaking any project;

   i. opening of new bank accounts in connection with the Offer (such as the escrow collection accounts, public offer accounts) and refund account(s)) and deposit of the proceeds of the Offer in such accounts including any current accounts, maintained with other banks, with respect to the Offer

   j. appointment of various intermediaries, including merchant bankers, syndicate members, registrars, public offer banks; escrow bank, refund banks and sponsor banks, as may be required in relation to the Offer, or opening any bank accounts in relation to the Offer, at the discretion of the Company; and

   k. undertaking any other activities as may be required in relation to the Offer or pursuant to the objects of the Offer.

   This is an indicative list and there may be additional restrictive covenants under the various borrowing arrangements entered into by us.

6. **Events of Default:** The borrowing arrangements entered into by us with the lenders contain certain instances, occurrence of which may result into 'event of default', including:

   a. failure or delay in making payment/repayment of any principal amount or interest on the relevant due dates;

b. failure to observe or comply with the terms and conditions, breach of ownership, management, financial or other covenants, breach of representations and warranties under the borrowing arrangements;

c. utilisation of the facilities or any part thereof for purposes other than as sanctioned by the lender;

d. change in ownership, management or control of our Company without prior consent of the lender;

e. any notice or action in relation to actual or threatened liquidation or dissolution or bankruptcy or insolvency against our Company;

f. any change or threat to change the general nature or scope of the business of our Company;

g. change in constitutional documents without prior consent of the lender, which is prejudicial to the interests of the lender;

h. failure to create security within the specified time period under the borrowing arrangements;

i. breach or default under any other agreement involving borrowing of money by our Company; and

j. any circumstance or event which would or is likely to prejudicially or have a material adverse effect in any manner the capacity of our Company to repay any loans or any part thereof.

This is an indicative list and there may be additional instances that may amount to an event of default under the various borrowing arrangements entered into by us.

7. **Consequences of Events of Default**: In terms of our borrowing arrangements, as a consequence of occurrence of events of default, our lenders may:

a. demand immediate repayment and withdraw/cancel the undrawn facility suspend further access/drawdowns, either in whole or in part, of the facility;

b. impose penal interest;

c. invoke the corporate guarantees;

d. appoint a nominee director/observer on the board of directors;

e. issue a notice for conversion of outstanding loan obligations into equity or other securities;

f. enforce their security interest; and

g. disclose details of borrowings and default to regulators/third parties.

The above is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see '*Risk Factors -We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business*' on page 62.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2025 on the basis of our Restated Financial Statements. This table should be read in conjunction with *'Risk Factors'*, *'Management's Discussion and Analysis of Financial Condition and Results of Operations'*, *'Restated Financial Statements'* on pages 36, 449 and 371 respectively.

(in ₹ million, except ratios)

Particulars	Reference	Pre-Offer as at March 31, 2025[1]	Post-Offer[2]
Total Borrowings			
Current Borrowings (including current maturities of long-term borrowing)[3]		64.09	[●]
Non-Current Borrowings[4]		11.68	[●]
Debt / Total borrowing[5]	**(A)**	**75.77**	[●]
Shareholders' funds: / Equity			
Equity Share capital[6]		390.39	[●]
Other Equity[7]		2,025.77	[●]
Total Equity	**(B)**	**2,416.16**	[●]
Ratio: Total borrowings / Total equity (Debt to equity ratio)	**(A)/(B)**	**0.03**	[●]
Non-Current Borrowings / Total equity		**0.00**	[●]

Notes:

1. *The above table has been computed on the basis of the Restated Financial Statements.*
2. *The corresponding post-Offer data is not determinable at this stage pending the completion of the Book Building Process. Accordingly, this data has not been provided in the above table.*
3. *Current borrowing is considered as borrowing due within 12 months from the balance sheet date.*
4. *Non-current borrowing is considered as borrowing other than current borrowing, as defined above and also includes the current maturities of long-term borrowing.*
5. *Total borrowing excludes interest accrued and due on borrowings.*
6. *Equity share capital includes allotment of (i) 2,949,000 Equity Shares of face value of ₹ 10 each on February 1, 2025 pursuant to the Scheme of Amalgamation; and (ii) 31,231,460 Equity Shares of face value of ₹ 10 each on May 1 2025, pursuant to a bonus issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.*
7. *In calculating Other Equity, adjustment for issue of bonus shares has been given effect*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and results of our operations. Our Financial Year commences on April 1 and ends on March 31 of the following year, and all references to a particular Financial Year or a Fiscal are to the 12 months ended March 31 of that year.

You should read the following discussion in conjunction with the Restated Financial Statements as of, and for the financial years ended, March 31, 2025, March 31, 2024 and March 31, 2023 including the related notes, schedules, and annexures.

The Restated Financial Statements included in this Draft Red Herring Prospectus are prepared and presented in accordance with requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the ICAI, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. This discussion may include certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors or contingencies, including those described below and elsewhere in, this Draft Red Herring Prospectus. For further information, see 'Forward-Looking Statements' on page 34. Also read 'Risk Factors' and 'Restated Financial Statements' on pages 36 and 371, respectively, for a discussion of certain factors or contingencies that may affect our business, financial condition or results of operations.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of metal rolls and engineering castings industry" by CRISIL (**CRISIL Report**) dated September 2025, which has been commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CRISIL was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLMs. A copy of the CRISIL Report is available on the website of our Company at https://www.beharilalengineering.com/quality-assurance.php. For further information, see 'Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks' on page 73. Also see 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' on page 31.*

OVERVIEW

We are an integrated iron and steel manufacturing company specializing in customized engineering solutions. According to CRISIL, we are one of India's largest metal rolls producers and a leading player in the metal rolls meeting 10.00% of the country's demand in Fiscal 2024. Our precision engineered components for critical industrial applications comprise:

- ***Metal Rolls*** – we manufacture metal rolls for rolling mills across various grades including alloy cast steel rolls, alloy steel base adamite rolls, graphitic steel rolls, S. G. Iron Pearlitic Rolls, S. G. Iron Bainitic/Accicular Rolls, alloyed indefinite chill rolls, forged rolls etc. Metal rolls are used in rolling processes to produce finished steel products such as TMT Rebar, Structural Steel etc.

- ***Engineering Castings*** – we manufacture engineering castings in special grades with per unit weight ranging from 500 kilogrammes (**Kg**) to 20 metric tonnes (**MT**) in various grades for industries like steel, iron, mining and aggregate crushers, power, sugar etc.

- ***Alloy Steel Products*** – we manufacture carbon, alloy steel, and stainless steel bars in various sections such as rounds, round corner square, flats and hex, with different sizes and widths 6 millimetre (**mm**) to 230 mm. We have also recently introduced tool steel and valve steel.

- ***Forging Ingots and Forged Shafts/ Blocks*** – Forging ingots are semi-finished steel products cast into specific shapes and sizes, primarily used as raw material for open die or closed die forging applications. These ingots are designed to withstand high compressive forces and are ideal for producing critical components requiring superior mechanical properties, structural integrity, and grain refinement. Forging ingots are available in round, square, rectangular, and custom shapes and weights ranging from 500 kg to 15 tons across various

grades such as carbon steels, alloy steels, stainless steels, and special tool steels. These find application in industries such as automotive, aerospace, oil & gas, energy, and heavy engineering.

For further details of our engineered components please see *''Our Business – Our Strengths - Long standing relationships with a large number of customers spread across a wide array of end-user industries with stringent qualification processes'* on page 297.

Set out below is a break-up of our revenue from our different product verticals based on our Restated Financial Statements.

Particulars	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Revenue (₹ million)	**% of revenue from operations**	**Revenue (₹ million)**	**% of revenue from operations**	**Revenue (₹ million)**	**% of revenue from operations**
Alloy Steel Products	2,582.09	50.84	2,277.54	51.06	2,786.16	60.19
Metal Rolls	1,247.67	24.56	1,131.91	25.37	1,031.61	22.28
Engineering Castings	901.06	17.74	796.75	17.86	649.85	14.04
Forging Ingots and Forged Shafts / Blocks	116.28	2.29	21.49	0.48	52.44	1.13
Job Work Income	132.57	2.61	128.88	2.89	52.54	1.14
Others*	99.45	1.96	104.27	2.34	56.68	1.22
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

***** '*Others' includes high sea sales, traded goods and sale of by-products.*

With over 2 decades of experience in the steel industry, we have over the years honed our product development capabilities which combined with a modern and fully integrated digital steel melting shop with ladle refining furnace (**LRF**), vacuum degassing (**VD**), foundry, heat treatment, machine shops, rolling mills and a skilled workforce, enable us to provide customized components tailored to meet the specific needs of our customers. Our precision engineered products find application across diverse industries such as automobile, steel, mining, infrastructure and construction, power, aerospace and defence and cement.

The broad range of industrial applications has also enabled us to cater to a large number of domestic and international customers and we have, as of March 31, 2025, catered to 1,681 customers. Since April 1, 2022, in addition to domestic customers we have exported our precision engineered components across 5 continents and in 15 countries viz., Afghanistan, Brazil, Finland, France, Germany, Ireland, Mexico, Nepal, Nigeria, South Africa, Tanzania, Togo, Uganda, UAE, and the USA. The below map indicates our global geographical presence in terms of the countries in which we have supplied our products during the last 3 Fiscals.

(This map is only for the purpose of representation and is not to be considered an accurate geopolitical representation.)

Set out below are details of the revenue generated from our domestic and international customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations
Domestic customers	4,859.33	95.67	4,245.17	95.17	4,489.57	96.98
Overseas customers*	219.79	4.33	215.67	4.83	139.71	3.02
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

* *Including deemed exports and export benefits*

We have over the time built long term relationships with our customers and our wide customer base includes Amba Shakti Industries Limited, BMW Industries Limited, Embross Autocomp Limited, Shyam Metallics And Energy Limited, Forge Auto International Limited, Hailstone Innovations Private Limited, Jai Balaji Industries Limited, KL Rathi Steels Limited, Laxcon Steels Limited, MSP Steel & Power Limited, Maithan Steel & Power Limited, Metso India Private Limited, Orissa Metallurgical Industry Private Limited, Preet Brothers Limited, Propel Industries Private Limited, SPS Steels Rolling Mills Limited, SRMB Srijan Private Limited, Shri Bajrang Power & Ispat Limited, Shyam Steel Industries Limited, Shyam Sel & Power Limited and Vardhman Special Steels Limited.

Our top 10 customers for Fiscal 2025 have been with us for an average duration of 7 years. The durability of our customer relationships is further demonstrated by the fact that during Fiscal 2025, Fiscal 2024 and Fiscal 2023, 378 customers, 366 customers and 270 customers, respectively, were repeat customers. Further, as of August 31, 2025, we had an Order Book of ₹ 1,023.86 million. Set out below are details of our Order Book as on March 31, 2025, March 31, 2024, and March 31, 2023.

Particulars	As on		
	March 31, 2025	March 31, 2024	March 31, 2023
Order Book *(₹ million)*	930.03	855.45	704.07

Our ability to deliver high precision customised engineered components is enabled by our focus on technology and strong product development team. Our products are manufactured using technologically advanced machines such as computer numerical control (**CNC**) Lathes, Heavy Duty All Geared Lathes, Boring Machines, CNC Boring Machine, Roll Grinding Machines, Vertical Turning Lathe (**VTL**), CNC VTL, Radial Drills, Plano Milling Machines and CNC Vertical Milling Machines. As a qualified supplier of high precision engineered components to global original equipment manufacturers we undergo a rigorous selection process by our customers. Before we are selected as a supplier for OEMs and their vendors, we undergo a selection process, failing which we would not be awarded any purchase orders. These tests cover, inter alia, facility assessment by customers along with process audits by our customers. The parts produced also undergo a testing process, before any purchase orders are awarded to us. Our product offerings are subject to stringent quality standards and specifications and adhering to the exacting quality standards is a pre-requisite for us to be able to retain customers. Our long term relationship with our customers and the repeat orders received from our customers is a testament to the quality of our product offerings.

Our expertise built over the years and our design, engineering, assembly and testing capabilities helps us supply critical engineered equipment across various industries. We ensure that we adhere to the requirements of our customers and maintain high quality of our products by maintaining strong quality control systems. We operate out of our 2 manufacturing units in Mandi Gobindgarh, Punjab (**Manufacturing Facilities**) which are equipped with capabilities to design, develop and manufacture our products. We have established quality systems and processes which enable us to meet the rigorous and specific requirements of our customers within the stipulated timelines. Our facilities have received various quality and standard certifications including ISO 9001-2015 for Quality Management, ISO 14001:2015 for Environment Management, ISO 450001:2018 for Occupational Health & Safety Management certificate. We also possess a BIS licence as per ISO 14650:2023 and IS 2062:2011. Moreover, we have 'Certificate for Approval of Well known steel makers' from the Central Boilers Board for manufacture of boiler quality ingots up to 40" x 46" and up to 15 MT/piece in carbon steel, alloy steel and stainless steel. Additionally, we have been awarded a ZED Certificate which denotes Zero Defect Zero Effect. Our manufacturing processes are also subject to regular inspections conducted by our customers. Further, we are compliant with the GHG Protocol C ISO 14064-1:2018 and ISO 14064-3:2019 with respect to greenhouse emission of our Manufacturing Facilities and PED 2014/68/EU.

Our Manufacturing Facilities are equipped with sophisticated equipment and machinery that enables us to produce high quality products and meet specific product requirements of our customers. We have in-house capabilities and proficiency in engineering, design, tooling, material development coupled with a range of finishing and assembly operations focussed on continuous improvements to our manufacturing and quality processes. We undertake automation of our manufacturing processes by implementing manufacturing execution systems to increase the overall production efficiency and shorten the time to produce with enhanced quality along with reducing downtime and idle time. We conduct quality inspections and testing at various stages of the production process, ensuring that our customers receive only the highest-quality products. A team of dedicated engineers conducts inspections and testing at various stages using advanced metrological instruments, including the Proceq Equotip Hardness tester for initial hardness checks and Non-Destructive Testing (NDT) for internal flaw detection. Following these tests, rolls and engineering castings undergo final machining, after which their hardness and dimensions are verified to guarantee compliance with customer specifications and drawings, before being packaged according to customer requirements.

We are conscious of our role in society and as part of our manufacturing process and business operations we have (i) installed rooftop solar panels of around 2 MW for long term sustainable power supply for our offices and Manufacturing Facilities to reduce carbon emissions; (ii) use of 100% recycled steel scrap to reduce dependency on raw materials and supports environmental goals; (iii) direct raw material sourcing and eco-friendly processes; and (iv) 4 acres of dedicated green belt for increasing the green space across the offices.

Our founder and Chairman, Parkash Chand Garg, has spearheaded our growth. Our Vice Chairman, Rajesh Garg, along with our Managing Director, Dinesh Garg, continues to play an integral part in envisioning the business opportunities in the industry and achieving our growth potential. We are supported by a strong Board who have significant experience in their respective domain. We are also supported by a strong team of experienced and qualified key management personnel and senior management and a capable and motivated pool of employees. We also have an in-house team with design and engineering capabilities which enables us to deliver a wide range of

precision engineering components and solutions with a focus on quality and which has allowed us to diversify our business across sectors.

Further to our strategic objective of streamlining our operations and enhancing manufacturing efficiency we completed the merger of Belco Special Steels Private Limited (**BSSPL**) and Parkash Multimetals Private Limited (**PMPL**) with our Company, through a scheme of amalgamation. As a result of this consolidation, the business of BSSPL is now our Rolling Mill Division, while PMPL's operations are part of our SMS and Foundry Division and following the amalgamation, the entity is rebranded as BLEL i.e., Behari Lal Engineering Limited.

The aforementioned factors have led to our consistent financial performance. Set out in this paragraph are details of our revenue and profitability based on our Restated Financial Statements. Our revenue from operations grew at a CAGR of 4.75% between Fiscal 2023 and Fiscal 2025. Our revenue from operations Fiscal 2025, Fiscal 2024 and Fiscal 2023, was ₹ 5,079.12 million, ₹ 4,460.84 million and ₹ 4,629.28 million, respectively. Our profit after tax grew at a CAGR of 35.59% between Fiscal 2023 and Fiscal 2025. Our profit after tax for Fiscal 2025, Fiscal 2024 and Fiscal 2023 was ₹ 529.51 million, ₹ 357.91 million and ₹ 288.01 million, respectively. For further details of our revenue from operations and profit after tax, see *'Management's Discussion and Analysis of Financial Condition and Results of Operation – Our Results of Operations'* on page 470.

PRINCIPAL FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial condition and results of operations:

Retaining our existing customers and augmenting our customer base

Our ability to grow our business requires us to (i) retain our customers; (ii) deepen our relationship with our existing customers; and (iii) expand our customer base. We continually engage with our customers to understand their requirements better to be able to meet their expectations. We have a strong track record of customer retention, with several longstanding relationships and consistent repeat orders. Our ability to adhere to stringent quality standards and specifications, demonstrated capabilities in engineering, manufacturing and process optimization and our diversified product portfolio catering to varied application industries are key factors that help us maintain long term relationships with our customers. Our established long standing relationships are demonstrated by the fact that we have been catering to some of our customers for 10 years or more. Set out in the table below is the duration of our relationship with some of the customers.

Sr. No.	Customer	Industry	Duration of relationship
1.	Kashmir Ispat	Infrastructure	11 years
2.	Jai Balaji Industries Ltd	Infrastructure	10 years
3.	MSP Steel & Power Limited	Infrastructure	10 years
4.	SRMB Srijan Pvt. Ltd.	Infrastructure	9 years
5.	Maithan Steel & Power	Infrastructure	9 years
6.	Vardhman Special Steels Limited	Automobiles	9 years
7.	Propel Industries Private Limited	Aggregate Crusher Manufacturer	9 years
8.	Laxcon Steels Ltd	Automobiles	9 years
9.	SPS Steel Rolling Mills	Infrastructure	8 years
10.	JB Rolling Mills Limited	Infrastructure	6 years

Our long-term relationship with our customers and the repeat orders received from our customers is a testament to the quality of our product offerings. Set out below is our revenue from operations from our repeat customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations	Revenue from repeat customers (in ₹ million)	As a % of revenue from operations
Revenues from repeat customers	4,372.98	86.10	3,570.50	80.04	3,647.83	78.80

Our continued growth will be dependent on our ability to retain and deepen our relationship with our existing customers and expand our customer base. Further, set out in the table below are the details of customers who we have retained over the financial periods set out below:

	As of and for the financial year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
No. of customers retained from the previous financial period	378	366	270
% of customers retained from the preceding financial period	63.42	62.56	47.37

Robust overlapping manufacturing processes which enable high capacity utilisation

Our Manufacturing Facility comprises 2 manufacturing units in Mandi Gobindgarh, Punjab which are spread across 790,000 square feet (approx.) with a combined installed capacity of 119,464 MT, comprising finished steel processing capacity of 54,464 MT and rolling mill capacity of 65,000 MT.

Our Manufacturing Facilities are equipped with advanced capabilities to design, develop and manufacture our product portfolio. Our Manufacturing Facilities are equipped with sophisticated equipment and machinery that enables us to produce high quality products and meet specific product requirements of our customers. We have sought to automate many of our manufacturing processes by implementing manufacturing execution systems to increase the overall production efficiency and shorten production while ensuring the integrity and quality of our products. The automation of processes has also helped in reducing downtime and idle time which boosts production efficiency.

According to CRISIL, many of our competitors focus on a single product i.e. rounds, engineering casting or metal rolls. Our Manufacturing Facility, though, is geared towards catering to multiple overlapping processes and our operations are geared towards catering to our diverse product mix. Our focus on a distinctive product mix and our overlapping manufacturing and machining processes facilitate optimum utilisation of our resources and higher delivery efficiency. The benefit of our overlapping processes is demonstrated by our high capacity utilisation. Set out below are the details of our actual production and capacity utilization during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Capacity details	SMS and Foundry Division	Rolling Mill Division	Total
As of and for the financial year ended March 31, 2025	Installed capacity (in MT)	54,464	65,000	**1,19,464**
	Actual production (in MT)	50,526	57,353	**1,07,879**
	Capacity utilisation (%)	92.77	88.24	**90.30**
As of and for the financial year ended March 31, 2024	Installed capacity (in MT)	35,589	65,000	**1,00,589**
	Actual production (in MT)	30,418	55,559	**85,977**

Particulars	Capacity details	SMS and Foundry Division	Rolling Mill Division	Total
	Capacity utilisation (%)	85.47	85.48	**85.47**
As of and for the financial year ended March 31, 2023	Installed capacity (in MT)	36,129	65,000	**1,01,129**
	Actual production (in MT)	33,141	43,461	**76,602**
	Capacity utilisation (%)	91.73	66.86	**75.75**

Managing our operating expenses

Cost of materials consumed is the most significant aspect of our expenses and we also maintain inventories commensurate with the scale of our operations. Further, given the nature of our operations our manufacturing expenses and employee benefits expense are important elements of our total expenses. Set out below are details of our cost of goods sold, manufacturing expenses and employee benefits expense, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses	Amount (in ₹ million)	As a % of total expenses
Cost of materials consumed	2,716.46	60.78	2,745.21	68.62	3,236.52	75.4
Cost of goods sold* (**CoGS**)	2,882.98	64.51	2,847.32	71.18	3,270.99	76.20
Manufacturing expenses	993.62	22.23	762.67	19.06	666.89	15.54
Employee benefits expense	326.14	7.3	187.29	4.68	165.74	3.86
Other operating costs**	147.11	3.29	92.46	2.31	77.56	1.81
Total operating costs ***	***4,057.94***	***90.79***	***3,736.68***	***93.41***	***4,080.94***	***95.08***

** Cost of goods sold is the sum of cost of material consumed, purchase of stock in trade and change in inventories of finished goods and work in progress.*
*** Other operating costs include administration, marketing, selling and distribution expenses.*
**** Total operating cost excludes finance cost and depreciation.*

Further, set out below are details of our cost of materials consumed, CoGS and total operating cost, as a percentage of our revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements.

Particulars	Amount (₹ million)	% of revenue from operations	Amount (₹ million)	% of revenue from operations	Amount (₹ million)	% of revenue from operations
Cost of materials consumed	2,716.46	53.48	2,745.21	61.54	3,236.52	69.91
CoGS	2,882.98	56.76	2,847.32	63.83	3,270.99	70.66

Particulars	Amount (₹ million)	% of revenue from operations	Amount (₹ million)	% of revenue from operations	Amount (₹ million)	% of revenue from operations
Total operating costs	**4,057.94**	**79.89**	**3,736.68**	**83.77**	**4,080.94**	**88.15**

** Cost of goods sold is the sum of cost of material consumed, purchase of stock in trade and change in inventories of finished goods and work in progress.*
**** Total operating cost excludes finance cost and depreciation.*

As can be noticed above, we have succeeded in consistently reducing the cost of materials consumed, CoGS, and total operating costs as a percentage of our revenue from operations including by improving our operating efficiencies through steps such as backward integration by increasing our furnace capacity which enables us to manufacture ingots which is one of our key raw materials, adopting ERP and CRM for integrated operations, preventive maintenance of plant and machinery, cross-department resource sharing and using dashboards for real-time monitoring. As a manufacturing entity, our cost of material consumed and CoGS will continue to be essential aspects of operating expenses and, consequently, our total costs. Therefore, managing our operating costs will be a key determinant of our profitability.

Competition

We operate in a competitive industry which is a highly competitive business environment. For further details, see '*Our Business -Competition*' on page 325. Some of our key competitors include entities such as Jailaxmi Casting & Alloys Pvt. Ltd., Jayaswal Neco Industries Ltd, Vardhman Special Steel Ltd., Bharat Roll Industry Pvt. Ltd., Kennametal India Ltd, Peekay Steel Castings (P) Ltd., AIA Engineering Limited, Steelcast Limited, IFGL Refractories Ltd and RHI Magnesita India Ltd. For further details, see '*Our Business - Competition*' on page 325.

Some of our competitors may have certain advantages, including greater financial, technical and, or, marketing resources, which could enhance their ability to finance growth, fund future expansion, and, or, operate in more diversified geographies. Some of our key competitive advantages include overlapping manufacturing processes, our large product portfolio catering to diverse application industries, our approvals from customers which according to CRISIL acts as an entry barrier and our legacy and experience of operating in the steel industry in India. In addition to our strengths, to remain competitive in the market we must, *inter alia*, successfully execute our growth strategies, continuously strive to reduce our costs and improve our operating efficiencies.

Demand for steel

Our operations are dependent on the general demand for steel. According to CRISIL, the domestic steel demand has logged a significant 8% CAGR between Fiscals 2020 and 2024. In Fiscal 2021, the industry saw a 5.3% on-year decline in demand due to the pandemic. Demand rebounded in Fiscal 2022, growing 11.4% on-year, with a revival of industrial activities, release of pent-up demand and growth inducement in key end-use sectors. Further, steel demand grew 13.4% to 136.3 MT in Fiscal 2024 from 100.2 million tonne (MT) in Fiscal 2020, owing to the aggregate effect of growth in the end-use sectors of steel — such as automobile, infrastructure and construction — and the market volatility faced during the pandemic. The increase in demand is expected to accelerate at a CAGR of ~8-10% by fiscal 2030, rising to 220-240 MT.

According to CRISIL, Building and construction (B&C), infrastructure and engineering, and packaging sectors make up ~90% of the aggregate demand for finished steel; B&C has the largest share. Infrastructure projects, housing and construction sectors are expected to spearhead the growth in steel demand between Fiscals 2025 and 2030. Projects such as the Pradhan Mantri Awas Yojana (PMAY) and the National Infrastructure Pipeline (NIP) will help sustain the growth momentum. The infrastructure sector is poised to be a significant driver of domestic steel demand; it currently accounts for approximately 30% of the demand. Over the next five years, this sector is expected to log a CAGR of around 11%.

Further, according to CRISIL, the government has introduced schemes such as PLI, which provides various incentives to industries such as specialty steel, electronics, automobiles, which are end-users for the steel sector. As per the PLI scheme, an incentive outlay of Rs 1.97 lakh crore (equivalent to over $26 billion) is underway for 14 key sectors to enhance the country's manufacturing capabilities and exports. This scheme, which will benefit many sectors in India, is also expected to increase demand for steel and, in particular stainless steel. For example, with automobile companies looking to reduce the weight of their vehicles by substituting conventional steel with other types of materials such as stainless steel, the demand for stainless steel is expected to increase, benefiting the domestic stainless steel manufacturing industry. Further, in calendar year 2017, the government introduced

National Steel Policy (NSP), which aims to increase steel production in India to 300 million tonne by 2030 from ~178 million tonne as of 2024.

We cater to the various sectors that are expected to benefit from the growth in demand as mentioned above. Set out below is our revenue from operations from our end-user industries during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Financial Statements:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Aggregate Crusher Manufacturer	894.31	17.61	747.32	16.75	608.36	13.14
Automobiles	2,475.88	48.75	2,480.73	55.61	3,034.47	65.55
Engineering - Industrial Equipment	666.85	13.13	209.81	4.71	76.73	1.66
Infrastructure	939.98	18.51	906.81	20.33	845.28	18.26
Others*	102.1	2.00	116.17	2.60	64.44	1.39
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

** 'Others' includes aerospace and defence, cement, and thermal power plants.*

Therefore, consistent growth in the demand for steel and steel products is a key aspect of our growth prospects.

MATERIAL ACCOUNTING POLICIES, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

I. Basis of preparation of restated financial statements

The Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the statement of material accounting policies and other explanatory information of Behari Lal Engineering Limited (formerly known as Behari Lal Engineering Private Limited) (formerly known as Behari Lal Ispat Private Limited) (collectively, the "Restated Financial Statements").

These Restated Financial Statements have been prepared by the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") proposed to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company (the "Offer"), which comprises a fresh issue of equity shares and an offer for sale by certain existing shareholders of the Company. The Restated Financial Statements have been prepared in accordance with the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") as amended;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations");

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note"); and

(d) The E-mail dated August 25, 2025 received from Book Running Lead Managers ("BRLMs"), which confirms that based on the email dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India ("SEBI Email"), the Company should prepare financial statements in accordance with Indian Accounting Standards (Ind AS) for all the three years.

These Restated Financial Statements have been compiled by the Management from:

(a) Audited financial statements of the Company as at and for the year ended March 31, 2025 prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting

Standards) Rules, 2015 (as amended) along with the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable, which was approved by the Board of Directors at their meeting held on September 8, 2025.

(b) Audited financial statements of the Company as at and for the year ended March 31, 2024 prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) along with the presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind-AS compliant Schedule III), as applicable, which was approved by the Board of Directors at their meeting held on September 27, 2024 (the "March 2024 Financial Statements"); and

(c) Audited special purpose Ind AS financial statements of the Company as at and for the years ended March 31, 2023, which were prepared by the Company after taking into the consideration the requirements of the SEBI Email and were approved by the Board of Directors at their meeting held on September 8, 2025 (the "Special Purpose Financial Statements").

In March 2024 Financial Statements, year ended March 31, 2024 is the 'first time reporting period', for first time adoption of Indian Accounting Standard (Ind-AS) – notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and accordingly April 01, 2022 is the transition date for preparation of its March 2024 Financial Statements as at and for the year ended March 31, 2024. The March 2024 Financial Statements, were the first financials, prepared in accordance with Ind-AS. Up to the Financial year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 ("Indian GAAP") due to which the Special Purpose Ind AS Financial Statements were prepared to comply with the SEBI Email. The Indian GAAP statutory financial Statements for the year ended March 31, 2023 were approved by the Board of Directors at their meeting held on September 5, 2023 (the "Indian GAAP Financial Statements").

The Special Purpose Financial Statements have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS - 101) consistent with that used at the date of transition (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended March 31, 2025 and pursuant to the SEBI Email.

The audited financial statements referred to in paragraph (a), (b) and (c) above together hereinafter referred as the, "Audited Financial Statements" unless otherwise stated.

The Restated Financial Statements are presented in Indian Rupee (INR) and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

II. Functional and presentation currency

Items included in the Restated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Restated Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

III. Basis of measurement

The restated financial statements have been prepared under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The company has prepared the Restated Financial Statements on the basis that it will continue to operate as a going concern.

IV. Use of estimates and judgements

The preparation of restated financial statements, in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the restated financial statements and reported amounts of revenues and expenses

during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and use of assumptions in these restated financial statements have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the restated financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the restated financial statements.

V. Current versus Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle.

a. Held primarily for the purpose of trading.
b. Expected to be realized within twelve months after the reporting period, or
c. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A Liability is treated as current when:

a. It is expected to be settled in normal operating cycle.
b. It is held primarily for the purpose of trading.
c. It is due to be settled within twelve months after the reporting period, or
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

VI. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the restated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognized in the restated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares financial instruments
- Financial instruments

VII. Business combination under common control

The composite Scheme of Arrangement ('Scheme') under section 230 to 232 and other applicable provisions of the Companies Act 2013 and the provisions of other applicable laws, amongst the Company M/s Behari Lal Engineering Limited (BLEL) (Formerly Known as Behari Lal Engineering Private Limited) (Formerly known as Behari Lal Ispat Private Limited) "Transferee Company", M/s Belco Special Steels Private Limited (BSSPL) "Transferor Company 1" and M/s Parkash Multimetals Private Limited (PMPL) "Transferor Company 2" and their respective shareholders and creditors ("Scheme").The Scheme has been approved by the Hon'ble Chandigarh Bench (Court II) of National Company Law Tribunal ("NCLT") vide its order dated 22th August 2024, the certified copy of the NCLT order has been filled with Registrar of Companies, Chandigarh on 25th September 2024 and the Scheme has come into effect accordingly. The Scheme is effective from the Appointed Date i.e. 1 April, 2022. The effects of the Scheme have been incorporated in the financial statements for the year ended 31st March 2024.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonize the accounting policies. The financial information in the restated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the restated financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the restated financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

VIII. Property, plant and equipment

On transition to Ind AS, the company has adopted optional exception under Ind AS 101 to continue with the carrying value for all of its Property, Plant and Equipment as recognized in the restated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost.

All items of property, plant and equipment are stated at cost less accumulated depreciation and impairment if any. Freehold land is stated at cost and not depreciated. The Cost of an item of Property, Plant and Equipment comprises:

- Its purchase price net of recoverable taxes wherever applicable and any attributable expenditure (directly or indirectly) for bringing the asset to its working condition for its intended use.
- Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any, the obligation for which an entity incurs either where the item is acquired or as a

consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation on property, plant and equipment has been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except the following cases:

Category	Useful Life
Plant and Machinery and Solar Power Plant	20 to 40 years
Office Equipment	5 to 10 years
Electrical Installation	10 to 20 years
Lab Equipment and Spectrometer	10 to 20 years

Depreciation is calculated on pro-rata basis from the date of installation till the date the asset is sold or discarded.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under Capital work-in-progress. The depreciation method, useful lives and residual value are reviewed periodically and at the end of each reporting period.

IX. Intangible Assets

Intangible assets are stated at cost less accumulated amount of amortisation and impairment if any. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence etc. The amortization method, estimated useful lives are reviewed periodically and at end of each reporting period.

X. Impairment of Non-financial assets

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

XI. Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stores is computed on FIFO basis plus direct expenditure, Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

XII. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expense in the period in which they are incurred.

XIII. Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A present obligation that arises from past events where it is neither probable that an outflow of resources will be required to settle nor a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized in restated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

XIV. Foreign currency translation

Items included in the restated financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The restated financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

Foreign currency translations are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

XV. Revenue recognition

(i) Revenue from sale of goods and services

The Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers'.

Revenue from sale of products is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in a contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the Government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts.

"To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied."

Use of significant Judgements in Revenue Recognition

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as volume discounts, price concessions, incentives etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The Company assesses its revenue arrangements against specific recognition criteria's like exposure to the significant risks and rewards associated with the sale of goods. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Company and its customers are reviewed to determine each party's respective role in the transaction.

Contract Balances

a. Contract Assets

Revenue earned but not billed to customers against sale of goods and services is reflected as Contract assets because the receipt of consideration is conditional on Company's performance under the contract (i.e. transfer control of related goods or services to the customer). Upon completion and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to the accounting policies on impairment of financial assets in Section XIX Financial instruments – initial recognition and subsequent measurement.

b. Trade Receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of financial assets in Section XIX Financial instruments – initial recognition and subsequent measurement.

(ii) Export incentives

The revenue in respect of export benefits is recognised on post export basis at the rate at which the entitlements accrued.

XVI. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Claims receivables on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

XVII. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the restated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

Goods and service taxes (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service taxes paid, except:

- when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- when receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or liabilities in the balance sheet.

XVIII. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

XIX. Financial instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Investment in Equity Shares:

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Dividends on equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

Classification and Subsequent Measurement: Financial liabilities:

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company assesses on a forward looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralized borrowing for the proceeds received.

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

XX. Leases

The Company as a lessee

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease.

XXI. Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, short term compensated absence and ex-gratia including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the balance sheet.

(ii) Post-employment obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets (if any). The defined benefit obligation is calculated annually as per Valuation report given by Actuary on the basis of Guidance issued by The Actuarial Society of India.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has not further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

XXII. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and

the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the restated financial statements for issue, not to demand payment as a consequence of the breach.

XXIII. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing: The profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would been outstanding assuming the conversion of all dilutive potential equity shares.

XXIV. Assets Held for Sale;

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

In view of the management, the current assets (financial & other) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

XXV. Events occurring after balance sheet date

In case of a major adjusting event which has occurred after balance sheet date but before the date of approval of balance sheet and conditions for the same are existed at the end of the reporting period. The event is treated as adjusting event and the appropriate effect of the same is taken in all financial years reported.

XXVI. Government Grants

The government grants are recognised only when there is a reasonable assurance of compliance that conditions attached to such grants shall be complied with and it is reasonably certain that the ultimate collection will be made.

When the government grant relates to an asset, the asset is disclosed by deducting that grant in arriving at the carrying amount of that asset.

Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

XXVII. Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

B. Critical Accounting Estimates and Judgements

1. Useful life of Property, Plant and Equipment and Intangible Assets:

Management reviews the useful lives of depreciable assets at each reporting date. As at every reporting period management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives of depreciable assets.

2. Defined Benefit Plans:

The cost of the defined benefit plan and other postemployment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

XXVIII. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards Ind AS 117 - Insurance Contracts and Ind AS 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

NON-GAAP MEASURES

Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA)/ EBITDA Margin/ Return on Capital Employed / Return on Equity / Inventory Turnover Ratio and Debt to Equity

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance and liquidity. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures disclosed in the financial statements prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures.

EBITDA, EBITDA Margin, Return on Capital Employed, Return on Equity, Inventory Turnover Ratio, and Debt to Equity (**Non-GAAP Measures**) presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See *'Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Earnings before interest, tax, depreciation and amortization expenses (EBITDA), EBITDA margin, return on capital employed (ROCE), return on equity (ROE), inventory turnover ratio and debt to equity, have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable'* on page 74.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Total Income

Total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Our revenue from operations comprises revenue from (i) sale of products-domestic; (ii) sale of products-domestic-deemed export; (iii) sale of products-exports; (iv) sale-others and (v) other operating revenue such as sale of scrap, export benefits and job work income. The precision engineered components we manufacture comprise alloy steel products, metal rolls, engineering castings and forging ingots and forged shafts/blocks.

Set out below is a break-up of our revenue from operations.

Particulars	Fiscal 2025 (₹ million)	Fiscal 2024 (₹ million)	Fiscal 2023 (₹ million)
Sale of Products-Domestic	4,631.32	4,017.50	4,381.81
Sale of Products-Domestic-Deemed Export	31.94	11.19	18.70
Sale of Products-Exports	183.84	199.00	119.55
Sale-Others	78.74	68.25	32.58
Other operating revenues	153.28	164.90	76.64
Total	**5,079.12**	**4,460.84**	**4,629.28**

Further, set out below is a break-up of our revenue from our different product verticals based on our Restated Financial Statements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations	Revenue (₹ million)	% of revenue from operations
Alloy Steel Products	2,582.09	50.84	2,277.54	51.06	2,786.16	60.19
Metal Rolls	1,247.67	24.56	1,131.91	25.37	1,031.61	22.28
Engineering Castings	901.06	17.74	796.75	17.86	649.85	14.04
Forging Ingots and Forged Shafts / Blocks	116.28	2.29	21.49	0.48	52.44	1.13
Job Work Income	132.57	2.61	128.88	2.89	52.54	1.14
Others*	99.45	1.96	104.27	2.34	56.68	1.22
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00**	**4,629.28**	**100.00**

**Others include high seas sales, trading sales etc.*

Other income

Our other income comprises (i) interest income from banks, deposits and others; (ii) subsidy income; (iii) liabilities no longer required written back; (iv) commission income; (v) miscellaneous income; (vi) gain on sale of items of property, plant and equipment (net); (vii) discount received; (viii) bad debts recovered; (ix) -net gain on foreign currency transaction & translation; and (x) gain on sale of investment.

Total Expenses

Our total expenses comprise (i) cost of materials consumed; (ii) purchase of stock-in-trade; (iii) changes in inventories of finished goods, work in progress and stock in trade; (iv) employee benefits expenses; (v) finance costs; (vi) depreciation and amortization expenses; and (vii) other expenses.

Cost of materials consumed

Cost of materials consumed is computed as the sum of inventory at the beginning of the year and the inventory purchased during the year as reduced by inventory at the end of the year. The raw materials consumed include scrap, ferro alloys, ingot, and billet in different forms.

Changes in inventories of finished goods, work in progress and stock in trade

Changes in inventories of finished goods, work in progress and stock in trade is the difference between the opening cost of inventories of work-in-progress, finished goods and stock in trade and the closing cost of inventories of work-in-progress, finished goods and stock in trade and reflects the change in our inventories from the beginning

of the year to the end of the year.

Employee benefits expenses

Employee benefits expenses comprise salaries and wages (including bonus, gratuity and leave encashment), contribution to provident and other funds, workmen and staff welfare expenses.

Finance costs

Finance costs comprise interest expense on term loans, interest expense on working capital, interest expense on others i.e. interest incurred on bill discounting and unsecured loans, interest expense on dividend on redeemable preference shares and other borrowing costs.

Depreciation and amortisation expense

Depreciation and amortisation expenses comprises depreciation on property, plant and equipment, amortisation of intangible assets and depreciation on right-to-use assets.

Other expenses

Other expenses comprise (i) consumption of stores and spares; (ii) freight inward; (iii) conversion charges; (iv) repairs-plant & machinery; (v) power & fuel (net of subsidy); (vi) loading and unloading charges; (vii) audit fee; (viii) bank charges; (ix) expenditure on corporate social responsibility ; (x) allowance for expected credit loss and doubtful receivables; (xi) insurance; (xii) interest on taxes; (xiii) legal & professional charges; (xiv) loss on asset held for sale; (xv) miscellaneous expenses; (xvi) net loss on foreign currency transaction & translation; (xvii) penalty; (xviii) rent; (xix) repairs-buildings; (xx) repairs-vehicle; (xxi) repairs-others; (xxii) rates & taxes; (xxiii) rebates, discounts and ld charges; (xxiv) software expense; (xxv) security expense; (xxvi) sundry balances written off; (xxvii) travelling expense; (xxviii) outward freight, handling & other selling expenses; and (xxix) commission on sales.

Tax expenses

Tax expense comprises current tax, deferred tax charge / (credit), and adjustments of tax related to earlier years.

OUR RESULTS OF OPERATIONS

Set out below are select financial data from our restated consolidated summary statement of profit and loss for Fiscal 2025, Fiscal 2024 and Fiscal 2023, the components of which are also expressed as a percentage of total income:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)
INCOME						
Revenue from operations	5,079.12	98.38	4,460.84	99.14	4,629.28	99.03
Other income	83.87	1.62	38.74	0.86	45.34	0.97
Total income	**5,162.99**	**100.00**	**4,499.58**	**100.00**	**4,674.62**	**99.03**
EXPENSES						
Cost of materials consumed	2,716.46	52.61	2,745.21	61.01	3,236.52	69.24
Purchase of stock-in-trade	291.93	5.65	153.04	3.40	100.24	2.14
Changes in inventories of finished goods, work in progress and stock in trade	(125.41)	(2.43)	(50.93)	(1.13)	(65.77)	(1.41)
Employee benefits expenses	326.14	6.32	187.29	4.16	165.74	3.55
Finance costs	13.58	0.26	23.09	0.51	33.83	0.72
Depreciation and amortization expenses	105.91	2.05	87.58	1.95	77.36	1.65
Other expenses	1,140.75	22.09	855.11	19.00	744.45	15.93
Total expenses	**4,469.36**	**86.57**	**4,000.39**	**88.91**	**4,292.37**	**91.82**
Restated profit before tax	**693.63**	**13.43**	**499.19**	**11.09**	**382.25**	**8.18**
Tax expense						
- Current tax	175.45	3.40	125.54	2.79	94.86	2.03
- Deferred tax (credit)/charge	(13.49)	(0.26)	15.58	0.35	(1.61)	(0.03)
- Adjustment of tax related to earlier years	2.16	0.04	0.16	0.00	0.99	0.02

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)
Total tax expenses	*164.12*	*3.18*	*141.28*	*3.14*	*94.24*	*2.02*
Restated profit for the year	**529.51**	**10.26**	**357.91**	**7.95**	**288.01**	**6.16**
Other comprehensive income / (loss)						
- Items that will not be reclassified to profit or loss						
- Remeasurement gain/(loss) of defined benefit obligation	(0.62)	(0.01)	0.75	0.02	2.40	0.05
- Income tax relating to items that will not be reclassified to profit or loss	0.16	0.00	(0.19)	0.00	(0.60)	(0.01)
Restated other comprehensive income/(loss) for the year	**(0.46)**	(0.01)	**0.56**	**0.01**	**1.80**	**0.05**
Restated total comprehensive income / (loss) for the year	**529.05**	**10.25**	**358.47**	**7.97**	**289.81**	**6.20**

FISCAL 2025 COMPARED TO FISCAL 2024

Income

Total Income

Our total income increased by 14.74% from ₹ 4,499.58 million in Fiscal 2024 to ₹ 5,162.99 million in Fiscal 2025, primarily due to an increase in our revenue from operations as discussed below.

Revenue from operations

Our revenue from operations increased by 13.86% from ₹ 4,460.84 million in Fiscal 2024 to ₹ 5,079.12 million in Fiscal 2025, primarily due to an increase (i) in sale of products – domestic from ₹ 4,017.50 million in Fiscal 2024 to ₹ 4,631.32 million in Fiscal 2025 due to increase in sale of goods from 82,042.18 MT in Fiscal 2024 and 89,103.48 MT in Fiscal 2025 and an increase in the sale of high value goods from ₹ 1,991.60 million in Fiscal 2024 to ₹ 2,308.47 million; (ii) sale of products-domestic-deemed export from ₹ 11.19 million in Fiscal 2024 to ₹ 31.94 million in Fiscal 2025; and (iii) sale-others from ₹ 68.25 million in Fiscal 2024 to ₹ 78.74 million in Fiscal 2025, which was partially offset by a decrease in (i) exports from ₹ 199.00 million in Fiscal 2024 to ₹ 183.84 million in Fiscal 2025; and (ii) other operating revenues from ₹ 164.90 million Fiscal 2024 to ₹ 153.28 million in Fiscal 2025 primarily due to a decrease in sale in scrap from ₹ 30.24 million in Fiscal 2024 to ₹ 14.44 million in Fiscal 2025 and job work income from ₹ 128.88 million in Fiscal 2024 to ₹ 126.43 million.

Other income

Our other income increased by 116.51% from ₹ 38.74 million in Fiscal 2024 to ₹ 83.87 million in Fiscal 2025, primarily due to an increase in (i) interest on bank deposits from ₹ 5.12 million in Fiscal 2024 to ₹ 29.48 million in Fiscal 2025 and (ii) government subsidy from ₹ 21.60 million in Fiscal 2024 to ₹ 38.64 million in Fiscal 2025.

Expense

Total Expense

Our total expenses increased by 11.72% from ₹ 4,000.39 million in Fiscal 2024 to ₹ 4,469.36 million in Fiscal 2025, due to the factors discussed below.

Cost of material consumed

Our cost of material decreased by 1.05% from ₹ 2,745.21 million in Fiscal 2024 to ₹ 2,716.46 million in Fiscal 2025 primarily due to a decrease in the consumption of raw materials viz., ingots and ferro alloy which was partially offset by an increase in the consumption of scrap. The aforesaid decrease was due to a reduction in overall raw material prices. In addition, with the increase in furnace melting capacity, we were able to procure more scrap and manufacture our own ingots at a lower cost, rather than sourcing them from the external market (which is also the reason behind less purchase of ingots/billets and more purchase of scrap). For instance, we manufactured 33,535 MT of ingot in Fiscal 2025 as compared to 16,796 MT of ingot in Fiscal 2024 which was being procured from outside.

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 90.75% from ₹ 153.04 million in Fiscal 2024 to ₹ 291.93 million in Fiscal 2025, commensurate with our increase with our increase in revenue.

Changes in inventories of finished goods, work-in progress and stock in trade

The total change in inventory of finished goods and work in progress moved from ₹ (50.93) million in Fiscal 2024 to ₹ (125.41) million in Fiscal 2025 which was due to increase in production from 85,977 MT in Fiscal 24 to 107,880 MT in Fiscal 2025, and a change in our product mix with a focus on manufacturing more higher value grades require more processing time due to which our inventory increased. Also, due to the increase in production we manufactured ingots/billets from scrap rather than purchasing ingot/billets from the market, which also necessitated more processing time.

Employee benefits expense

Our employee benefits expense increased by 74.14% from ₹ 187.29 million in Fiscal 2024 to ₹ 326.14 million in Fiscal 2025 primarily due to an increase in salaries and wages (including bonus, gratuity and leave encashment) from ₹ 175.02 million in Fiscal 2024 to ₹ 307.70 million in Fiscal 2025 on account of an increase in our permanent employees and contract workers from 535 as on March 31, 2024 to 590 as on March 31, 2025, on account of *inter alia* higher production and processing requirements.

Finance Costs

Our finance costs decreased by 41.21% from ₹ 23.09 million in Fiscal 2024 to ₹ 13.58 million in Fiscal 2025 primarily due to a decrease in (i) dividend on redeemable Preference Shares from ₹ 1.96 million in Fiscal 2024 to ₹ (5.23) million in Fiscal 2025 on account of an Ind AS adjustment on the redemption of Preference Shares i.e. interest amount is recognised as finance cost; (ii) other interest expenses from ₹ 12.47 million in Fiscal 2024 to ₹ 7.93 million in Fiscal 2025 due to repayment of unsecured loans, and (iii) interest expenses on term loan from ₹ 1.52 million in Fiscal 2024 to ₹ 1.18 million in Fiscal 2025 due to repayment of loans.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 20.93% from ₹ 87.58 million in Fiscal 2024 to ₹ 105.91 million in Fiscal 2025 primarily due to an increase in depreciation on plant and machinery on account of addition of machinery in Fiscal 2025.

Other expenses

Our expenses increased by 33.40% from ₹ 855.11 million in Fiscal 2024 to ₹ 1,140.75 million in Fiscal 2025 primarily due to an increase in (i) consumption of stores and spares from ₹ 402.30 million in Fiscal 2024 to ₹ 527.07 million in Fiscal 2025; (ii) consumption of power & fuel from ₹ 236.82 million in Fiscal 2024 to ₹ 326.98 million in Fiscal 2025; (iii) freight inward charges from ₹ 24.54 million in Fiscal 2024 to ₹ 42.73 million in Fiscal 2025; (iv) outward freight, handling & other selling expenses from ₹ 32.43 million in Fiscal 2024 to ₹ 53.30 million in Fiscal 2025, and (v) conversion charges from ₹ 69.18 million in Fiscal 2024 to ₹ 73.72 million in Fiscal 2025.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 38.95% from ₹ 499.19 million in Fiscal 2024 to ₹ 693.63 million in Fiscal 2025.

Tax expense

Our tax expense increased by 16.17% from ₹ 141.28 million in Fiscal 2024 to ₹ 164.12million in Fiscal 2025 primarily due to an increase in current tax from ₹ 125.54 million in Fiscal 2024 to ₹ 175.45 million in Fiscal 2025. This was partially offset by a shift from a deferred tax charge of ₹ 15.58 million in Fiscal 2024 to a deferred tax credit of ₹ 13.49 million in Fiscal 2025.

Profit for the year

As a result of the foregoing, our profit after tax increased by 47.95% from ₹ 357.91 million in Fiscal 2024 to ₹ 529.51 million in Fiscal 2025.

FISCAL 2024 COMPARED TO FISCAL 2023

Income

Total Income

Our total income decreased by 3.74% from ₹ 4,674.62 million in Fiscal 2023 to ₹ 4,499.58 million in Fiscal 2024,

primarily due to a decrease in our revenue from operations as discussed below.

Revenue from operations

Our revenue from operations decreased by 3.64% from ₹ 4,629.28 million in Fiscal 2023 to ₹ 4,460.84 million in Fiscal 2024, primarily due to a decrease in (i) sale of domestic products from ₹ 4,381.81 million in Fiscal 2023 to ₹ 4,017.50 million in Fiscal 2024; (ii) sale of domestic products (deemed exports) from ₹ 18.70 million in Fiscal 2023 to ₹ 11.19 million in Fiscal 2024. The aforementioned decrease was partially offset by an increase in (i) sale of products-exports from ₹ 119.55 million in Fiscal 2023 to ₹ 199.00 million in Fiscal 2024; (ii) other sales from ₹ 32.58 million in Fiscal 2023 to ₹ 68.25 million in Fiscal 2024; (iii) job work income from ₹ 52.54 million in Fiscal 2023 to ₹ 128.88 million in Fiscal 2024 and (iv) sale of scrap from ₹ 21.96 million in Fiscal 2023 to ₹ 30.24 million in Fiscal 2024. The decrease in the sale of domestic products was on account of decrease in the prices of base steel. The decrease in the price of base steel was partially offset by an increase in sales quantity which increased from 69,084.00 MT in Fiscal 2023 to 82,042 MT in Fiscal 2024.

Other income

Our other income decreased by 14.56% from ₹ 45.34 million in Fiscal 2023 to ₹ 38.74 million in Fiscal 2024, primarily due to a decrease in (i) subsidy income from ₹ 34.79 million in Fiscal 2023 to ₹ 21.60 million in Fiscal 2024, and (ii) commission income from ₹ 4.34 million in Fiscal 2023 to nil in Fiscal 2024.

Expense

Total Expense

Our total expenses decreased by 6.80% from ₹ 4,292.37 million in Fiscal 2023 to ₹ 4,000.39 million in Fiscal 2024, due to the reasons discussed below.

Cost materials consumed

Our cost of material consumed decreased by 15.18% from ₹ 3,236.52 million in Fiscal 2023 to ₹ 2,745.21 million in Fiscal 2024 which was commensurate with the decrease in our revenue from operations. The aforementioned decrease was due to a decrease in raw material prices by around 20-30% from Fiscal 2023 to Fiscal 2024. The difference in decrease of cost of materials consumed was partially offset by an increase in production from 76,602 MT in Fiscal 2023 to 85,977 MT in Fiscal 2024 which necessitated an increase in raw materials.

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 52.67% from ₹ 100.24 million in Fiscal 2023 to ₹ 153.04 million in Fiscal 2024.

Changes in inventories of finished goods, work-in progress and stock in trade

Our inventory of finished goods, work in progress and stock in trade moved from ₹ (65.77) million in Fiscal 2023 to ₹ (50.93) million in Fiscal 2024 which was due to increase in production from 76,602 MT in Fiscal 2023 to 85,977 MT in Fiscal 2024 which necessitated an increase in raw materials and a change in our product mix with a focus on manufacturing more higher value grades require more processing time due to which our inventory increased.

Employee benefits expense

Our employee benefits expense increased by 13.00% from ₹ 165.74 million in Fiscal 2023 to ₹ 187.29 million in Fiscal 2024 primarily due to an increase in our salaries and wages (including bonus, gratuity and leave encashment) from ₹ 154.65 million in Fiscal 2023 to ₹ 175.02 million in Fiscal 2024 on account of an increase in the number of permanent employees from 465 on March 31, 2023 to 535 on March 31, 2024 to cater to higher production and processing requirements necessitating higher number of employees.

Finance Costs

Our finance costs decreased by 31.75% from ₹ 33.83 million in Fiscal 2023 to ₹ 23.09 million in Fiscal 2024 primarily due to a decrease in interest expenses from ₹ 24.31 million in Fiscal 2023 to ₹ 12.47 million in Fiscal 2024 pursuant to repayment of term loans and unsecured loans and utilisation of own reserves.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 13.21% from ₹ 77.36 million in Fiscal 2023 to ₹ 87.58 million in Fiscal 2024 primarily due to the purchase of additional machinery in Fiscal 2024.

Other expenses

Our expenses increased by 14.86% from ₹ 744.45 million in Fiscal 2023 to ₹ 855.11 million in Fiscal 2024 primarily due to an increase in (i) consumption of stores and spares from ₹ 320.61 million in Fiscal 2023 to ₹ 402.30 million in Fiscal 2024; (ii) power & fuel expenses from ₹ 211.76 million in Fiscal 2023 to ₹ 236.82 million in Fiscal 2024; and (iii) outward freight, handling & other selling expenses from ₹ 26.75 million in Fiscal 2023 to ₹ 32.43 million in Fiscal 2024.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 30.59% from ₹ 382.25 million in Fiscal 2023 to ₹ 499.19 million in Fiscal 2024.

Tax expense

Our tax expense increased by 49.91% from ₹ 94.24 million in Fiscal 2023 to ₹ 141.28 million in Fiscal 2024 due to an increase in our current tax from ₹ 94.86 million in Fiscal 2023 to ₹ 125.54 million in Fiscal 2024 and a shift from a deferred tax credit of ₹ (1.61) million in Fiscal 2023 to a deferred tax charge of ₹15.58 million in Fiscal 2024. This was partially offset by a decrease in adjustment of tax related to earlier years from ₹ 0.99 million in Fiscal 2023 to ₹ 0.16 million in Fiscal 2024.

Profit for the year

As a result of the foregoing, our profit after tax increased by 24.27% from ₹ 288.01 million in Fiscal 2023 to ₹ 357.91 million in Fiscal 2024.

Liquidity and capital resources

As on March 31, 2025, we had a sum of ₹ 24.59 million in cash and cash equivalents which comprised cash on hand, balance with banks and cheque in hand.

Historically, we have been able to finance the growth of our business through the funds generated from our operations, equity infusion and loans from banks and financial institutions. We believe that with the internal accruals, loans, and infusion of the Net Proceeds, we will have sufficient capital to meet our anticipated capital requirements for working capital requirements for the 12 months following the date of this Draft Red Herring Prospectus.

CASH FLOWS

The following table sets forth certain information concerning our cash flows for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(₹ in million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash (used in) / generated from operating activities (**A**)	618.87	371.44	133.83
Net cash (used in) / generated from investing activities (**B**)	(196.75)	(523.78)	(212.68)
Net cash (used in) / generated from financing activities (**C**)	(402.23)	137.65	93.22
Net increase/(decrease) in cash and cash equivalents **(A+B+C)**	19.88	(14.69)	14.37

Net cash (used in) / generated from operating activities

Fiscal 2025

Our net cash flow generated from operating activities was ₹ 618.87 million in Fiscal 2025. While our profit before tax in Fiscal 2025 was ₹ 693.63 million, our operating profit before working capital changes stood at ₹ 775.84 million in Fiscal 2025 after taking into account the adjustments primarily for depreciation and amortization expenses of ₹ 105.92 million. Working capital adjustments comprised an increase in (i) trade payables and other liabilities of ₹ 226.82 million, (ii) trade and other receivables of ₹ 6.41 million, and (iii) inventories of ₹ 187.34 million. This was further adjusted by income tax paid (net of refunds) of ₹ 190.05 million.

Fiscal 2024

Our net cash flow generated from operating activities was ₹ 371.44 million in Fiscal 2024. While our profit before tax in Fiscal 2024 was ₹ 499.19 million, our operating profit before working capital changes stood at ₹ 596.18 million in Fiscal 2024 after taking into account the adjustments primarily for depreciation and amortization expense of ₹ 87.58 million. Working capital adjustments included an increase in (i) trade and other receivables of ₹ 128.81 million, and (ii) inventories of ₹ 24.53 million and (iii) trade payables and other liabilities of ₹ 39.15 million. This was further adjusted by income tax paid (net of refunds) of ₹ 110.55 million.

Fiscal 2023

Our net cash flow generated from operating activities was ₹ 133.83 million in Fiscal 2023. While our profit before tax in Fiscal 2023 was ₹ 382.25 million, our operating profit before working capital changes stood at ₹ 488.49 million in Fiscal 2023 after taking into account the adjustments primarily for depreciation and amortization expense of ₹ 77.36 million. Working capital adjustments included an increase in (i) trade and other receivables of ₹ 167.29 million and (ii) inventories of ₹ 55.21 million and a decrease in trade payables and other liabilities of ₹ 42.22 million. This was further adjusted by income tax paid (net of refunds) of ₹ 89.94 million.

Net cash flow (used in) / generated from investing activities

Fiscal 2025

Our net cash flow used in investing activities in Fiscal 2025 was ₹ 196.75 million which comprised primarily (i) payment of ₹ 265.03 million towards purchase of property, plant and equipment including intangible assets and capital work in progress, (ii) decrease in deposit with banks, having original maturity more than 3 months but less than 12 months aggregating ₹ 284.69 million, and (iii) increase in deposit with banks, having original maturity more than 12 months but remaining maturity of less than 12 months aggregating ₹ 301.63 million.

Fiscal 2024

Our net cash flow used in investing activities in Fiscal 2024 was ₹ 523.78 million which comprised primarily (i) payment of ₹ 148.45 million towards purchase of property, plant and equipment including intangible assets and capital work in progress, (ii) increase in deposit with banks, having original maturity more than 12 months aggregating ₹ 100.00 million which was partially offset by an increase in deposit with banks, having original maturity more than 3 months but less than 12 months aggregating ₹ 285.26 million.

Fiscal 2023

Our net cash flow used in investing activities in Fiscal 2023 was ₹ 212.68 million which comprised primarily payment of ₹ 216.68 million towards purchase of property, plant and equipment including intangible assets and capital work in progress.

Net cash flow (used in) / generated from financing activities

Fiscal 2025

Our net cash flow used in financing activities in Fiscal 2025 was ₹ 402.23 million which comprised primarily repayment of current borrowings aggregating ₹ 275.76 million and advances against redemption of preference share capital of ₹ 104.00 million.

Fiscal 2024

Our net cash flow generated from financing activities in Fiscal 2024 was ₹ 137.65 million which comprised primarily proceeds from the issuance of share capital ₹ 385.00 million and repayment of non-current borrowings of ₹ 237.64 million.

Fiscal 2023

Our net cash flow generated from financing activities in Fiscal 2023 was ₹ 93.22 million which comprised primarily proceeds from (i) current borrowing of ₹ 97.94 million and (ii) non-current borrowings of ₹ 27.22 million, and interest paid of ₹ 31.94 million.

FINANCIAL INDEBTEDNESS

As on August 31, 2025, we had total outstanding borrowing aggregating ₹ 135.94 million comprising fund-based borrowings aggregating ₹ 102.46 million, non-fund-based borrowings aggregating ₹ 23.10 million and unsecured borrowing of ₹ 10.38 million. For further details of our indebtedness, see *'Financial Indebtedness'* on page 445.

CAPITAL EXPENDITURE

Set out below are the details of the capital expenditure incurred by us in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations
Capital expenditure	260.23	5.12	153.97	3.45	169.33	3.66

Trade Payables Ageing Summary (Outstanding for following periods from transaction date)

As on March 31, 2025

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	38.51	0.02	-	-	**38.53**
Others	205.65	-	-	-	**205.65**
Total	**244.16**	**0.02**	-	-	**244.18**

As on March 31, 2024

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	37.14	-	-	-	**37.14**
Others	71.94	0.70	-	-	**72.64**
Total	**109.08**	**0.70**	-	-	**109.78**

As on March 31, 2023

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	24.21	-	-	-	**24.21**
Others	89.58	0.49	-	-	**90.07**
Total	**113.79**	**0.49**	-	-	**114.28**

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Set out below are the details of our contingent liabilities and commitments as at March 31, 2025, March 31, 2024 and March 31, 2023:

(in ₹ million)

Particulars	As at		
	March 31, 2025	March 31, 2024	March 31, 2023
Contingent Liabilities			
Liability on account of Bank Guarantee issued in favour of others	12.13	2.92	3.10
Others*	19.93	-	-
Total	**32.06**	**2.92**	**3.10**
Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	53.04	8.00	-
Total	**53.04**	**8.00**	**-**

**The Company was subjected to a GST audit under Section 65 of the CGST Act, 2017, for the period from April 2018 to March 2023. Pursuant to the audit, a total demand of ₹ 9.18 millions has been raised by the tax authorities towards tax, interest, and penalty. The Company has paid ₹ 2.20 millions and the balance amount of ₹ 6.98 millions has been contested and disclosed as a contingent liability, as the matter is under dispute and pending adjudication.*

**Demand of ₹12.12 million has been raised by the Income Tax Department for AY 2024-25 on account of TDS credit mismatch. The matter is pending reconciliation with the Assessing Officer and no provision has been made in the financial statements.*

**Demand of ₹0.17 million has been raised by TRACES towards alleged TDS/TCS defaults. The Company has preferred rectification against the said demand, which is currently under review by the relevant authorities*

**Show cause notice issued by the GST Department in connection with a search conducted at the premises of one of the Company's suppliers, proposing a demand of ₹0.66 million, which is under dispute.*

SELECT BALANCE SHEET ITEMS

Current Assets

(in ₹ million)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
a. Inventories	810.98	623.65	599.12
b. Financial Assets			
i. Investments	-	31.88	-
ii. Trade receivables	783.86	813.39	656.75
iii. Cash and cash equivalents	24.59	4.71	19.40
iv. Bank balances other than cash and cash equivalents above	303.16	286.22	3.49
v. Other financials assets	27.17	4.81	2.31
c. Other current assets	19.48	13.42	36.24
Total current assets	**1,969.24**	**1,778.08**	**1,317.31**

Current Liabilities

(in ₹ million)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Financial Liabilities			
Borrowings	68.21	343.98	332.56
Trade Payables			
(A) Total outstanding dues of micro enterprise and small enterprise	15.64	19.03	24.21
(B) Total outstanding dues of creditors other than micro enterprise and small enterprise	228.54	90.75	90.07
Other Financial Liabilities	127.65	48.50	42.08
Provisions	6.32	4.49	3.27
Other current liabilities	65.78	56.91	23.63
Current tax liabilities (net)	3.42	18.02	2.87

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Directors, and Key Managerial Personnel on an arm's length basis, in compliance with applicable law. For further details of our related party transactions, please see '*Restated Financial Statements - Note 39 - Related Party Disclosures'* on page 421.

Summary of reservations or qualifications or matters of emphasis or adverse remarks of auditors

Our Restated Financial Statements do not contain any qualifications or reservations.

Change in accounting policies

Other than as disclosed in the Restated Financial Statements, there have been no changes in accounting policies in the last three Fiscals.

Quantitative and Qualitative Disclosures about Market Risk

Our principal financial liabilities comprise of loans and borrowings, lease liabilities and trade payables, security deposits received etc. Our financial assets include trade receivables, investment and cash and cash equivalents, etc that we derive directly from our operations.

We are exposed to a variety of risks such as market risk and credit risk. Our Board is responsible for the overall risk management approach and for approving the risk strategies and principles. Our Board and agrees policies for managing each risk, which are summarised as below:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. We are exposed to market risks on account of change in foreign exchange rates and interest rates.

- *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Our Company's exposure to currency risk relates primarily to our Company's operating activities when transactions are denominated in a different currency from our Company's functional currency.

We also import certain property, plant and equipment and material from outside India and export finished goods. The exchange rate between the Indian rupee and foreign currencies has fluctuated in recent years and may fluctuate substantially in the future. Consequently, we are susceptible to foreign currency risk and our results may be affected as the Rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than our Company's functional currency.

- *Interest rate risk*

Our Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose us to cash flow risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk pursuant to our operating activities including investments, trade receivables and deposits with banks.

Liquidity Risk

Liquidity risk refers to the risk that our Company will encounter difficulty to meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Our financial liabilities include loans and borrowings, trade and other payables. Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

We monitor the risk of shortage of funds to meet the financial liabilities using a liquidity planning tool.

Competitive Conditions

We operate in a competitive environment. For further information, please see '*Risk Factors*', *'Industry Overview'*, *'Our Business - Competition'* on pages 36, 179, and 325, respectively.

Seasonality / Cyclicality of business

Our Company's business is not subject to seasonal changes.

Unusual or infrequent events or transaction

Except as set out in this Draft Red Herring Prospectus, there have been, to our knowledge, no unusual or infrequent events or transactions that have in the past, or may in the future, affect our business operations or future financial performance.

Segment Reporting

We are engaged in the business of manufacturing and trading of iron and steel products is considered a single segment. Accordingly, there is no segment reporting.

Extent to which material increases in net sales or revenue are due to increased sales volume, and increased sales prices

Except as set out in this chapter above, our net sales or revenue are not dependent on increased sales volume and increased sale price.

Total turnover of each major industry segment in which our Company operated

Set out below is our revenue from operations from our end-user industries during Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Aggregate Crusher Manufacturer	894.31	17.61	747.32	16.75	608.36	13.14
Automobiles	2,475.88	48.75	2,480.73	55.61	3,034.47	65.55
Engineering - Industrial Equipment	666.85	13.13	209.81	4.71	76.73	1.66
Infrastructure	939.98	18.51	906.81	20.33	845.28	18.26
Others*	102.10	2.00	116.17	2.60	64.44	1.39
Total	**5,079.12**	**100.00**	**4,460.84**	**100.00***	**4,624.13**	**100.00**

** 'Others' includes aerospace and defence, cement, and thermal power plants.*

Significant dependence on a single or few suppliers or Customers

While our customers may vary annually, we generate significant revenues from our top 10 customers every year. Consequently, our business and financial condition in any given financial year is reliant on our top 10 customers. Our revenue from operations from our top 10 customers during Fiscal 2025, Fiscal 2024 and Fiscal 2023 are set out below:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations *(in ₹ million)*	% of revenue from operations	Revenue from operations *(in ₹ million)*	% of revenue from operations	Revenue from operations *(in ₹ million)*	% of revenue from operations
Customer 1	425.94	8.38	350.25	7.85	344.24	7.44
Customer 2	297.96	5.86	247.81	5.56	301.96	6.52
Customer 3	251.78	4.96	246.86	5.53	285.97	6.18
Customer 4	250.42	4.93	206.45	4.63	233.91	5.05
Customer 5	187.01	3.68	191.38	4.29	219.29	4.74
Customer 6	140.08	2.76	151.91	3.41	169.06	3.65
Customer 7	128.77	2.54	77.27	1.73	158.59	3.43
Customer 8	126.26	2.49	74.91	1.68	119.80	2.59
Customer 9	111.89	2.20	74.08	1.66	93.13	2.01
Customer 10	107.05	2.11	65.59	1.47	65.37	1.41
Total	**2,027.16**	**39.91**	**1,686.51**	**37.81**	**1,991.32**	**43.02**

**Names of the customers in conjunction with revenue have not been included in this Draft Red Herring Prospectus due to commercial sensitivities of disclosure of revenue details from individual customers.*

Our primary raw material are scrap steel, ingots, and ferro alloy i.e. iron combined with other metals. We source our scrap, ingots, and ferro alloys from both domestic and international suppliers, primarily sourcing directly from industrial manufacturers.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount *(in ₹ million)*	% of total expenses	Amount *(in ₹ million)*	% of total expenses	Amount *(in ₹ million)*	% of total expenses
Supplier 1	229.82	5.14	360.33	9.01	348.63	8.12
Supplier 2	222.91	4.99	251.54	6.29	173.89	4.05
Supplier 3	193.16	4.32	181.94	4.55	165.16	3.85
Supplier 4	158.33	3.54	172.18	4.3	122.22	2.85
Supplier 5	147.18	3.29	153.02	3.83	101.46	2.36
Supplier 6	94.90	2.12	127.7	3.19	86.60	2.02
Supplier 7	94.44	2.11	104.91	2.62	83.98	1.96
Supplier 8	86.98	1.95	102.65	2.57	76.09	1.77
Supplier 9	83.62	1.87	64.95	1.62	70.11	1.63
Supplier 10	73.70	1.65	63.91	1.60	64.94	1.51
Total	**1,385.04**	**30.99**	**1,583.14**	**39.57**	**1,293.07**	**30.12**

**Names of the suppliers in conjunction with specific cost have not been included in this Draft Red Herring Prospectus due to commercial sensitivities of disclosure of revenue details from individual customers.*

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been, and we expect it to continue to be, subject to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in this chapter. For further details see *'Risk Factors'* and *'Industry Overview'*, on pages 36 and 179, respectively.

Known Trends or Uncertainties

Our business has been, and we expect will continue to be, subject to significant economic changes arising from the trends identified above under '*Principal Factors Affecting our Financial Condition and Results of Operations* and the uncertainties described in the section *'Risk Factors'* on page 36. To our knowledge, except as has been described in this Draft Red Herring Prospectus, there are no known trends or uncertainties, that have or had or are expected to have a material adverse impact on our revenues from continuing operations.

Future Relationships between Costs and Income

Other than as described in *'Risk Factors'*, *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* on pages 36, 293 and 449, respectively, to our knowledge, there are no known factors that may have a material adverse impact on our business, results of operations and financial condition.

New Services or Business Segments

Except as disclosed in this Draft Red Herring Prospectus, we have not announced and do not expect to announce any new services or business segments in the near future.

Significant Developments after March 31, 2025 that may affect our results of operations

Other than as set out below, there are, to our knowledge, no significant developments after the date of the last financial statements contained in this Draft Red Herring Prospectus which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months:

Our Company has pursuant to the Board resolution dated May 1, 2025, allotted 31,231,460 Equity Shares of face value of ₹ 10 each by way of bonus issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (a) criminal proceedings (including first information reports) involving our Company, Directors, Promoters, KMP and members of Senior Management ; (b) actions by any statutory or regulatory authorities involving our Company, Directors, Promoters, KMP and members of Senior Management; (c) disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last 5 Fiscals including outstanding action; (d) claim involving our Company, Directors or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved); and other pending litigations involving our Company, Directors, Promoters (other than proceedings covered under (a) to (d) above) which have been determined to be material pursuant to the materiality policy approved by our Board in its meeting held on September 8, 2025 (**Materiality Policy**) (as disclosed herein below).*

In terms of the Materiality Policy, all outstanding litigation/ arbitration proceedings (other than those covered under (a) – (d) above) involving our Company, Directors, Promoter shall be considered 'material' and disclosed in the Offer Documents: (i) if the aggregate monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds 2% of the turnover of our Company as per the latest annual Restated Financial Statements of our Company i.e., ₹ 101.58 million; or (ii) 2% of net worth of our Company as per the latest annual Restated Financial Statements of our Company (except in case the arithmetic value of the net worth is negative) i.e., ₹ 48.32 million; or (iii) 5% of the average absolute value of profit or loss after tax of our Company as per the last three annual Restated Financial Statements of our Company, i.e., ₹ 19.62 million, whichever is lower; or (ii) where monetary liability is not determinable or quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold specified in (i) above, but the outcome of any such pending proceeding may have a material adverse effect on the business, operations, performance, prospects, position or reputation of our Company.

Pre-litigation notices received by our Company, our Directors, our Promoters, our Group Company, from third parties (excluding notices from statutory, regulatory or tax authorities, notices threatening criminal action) shall not be evaluated for materiality until our Company, our Directors, our Promoters, our Group Company, is impleaded in proceedings before any judicial/ arbitral forum.

Further, as per the requirements of SEBI ICDR Regulations, our Company shall also disclose such outstanding litigation involving the Group Company which has a material impact (as determined by our Board) on our Company.

Except as stated in this section, there are no material outstanding dues to creditors of our Company. For this purpose, our Board, in its meeting held on September 8, 2025, has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors to whom an amount having a monetary value exceeds 5% of the total trade payables i.e., ₹ 12.21 million are considered material. In addition, outstanding dues as on March 31, 2025, owed by our Company to micro, small and medium enterprises in terms of Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 and creditors other than micro, small and medium enterprises and Material Creditors have been disclosed in this chapter.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. Unless otherwise specified, the terms defined in the description of a particular legal proceeding pertains to such proceedings only.

I. Litigation involving our Company

a. Litigations against our Company

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Company.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Company.

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount involved *(in ₹ million)**
Direct tax litigations	2	5.92
Indirect tax litigations	3	8.04
Total	**5**	**13.96**

* *To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigation against our Company.

b. Litigation initiated by our Company

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Company.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigations by our Company.

II. Litigation involving our Promoters

A. Litigations against our Promoters

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Promoters.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Promoters.

iii. *Disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals*

As on the date of this DRHP, there are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals against our Promoters.

iv. *Tax proceedings*

Nature of the case	Number of cases	Total amount involved *(in ₹ million)**
Direct tax litigations	2	0.80
Indirect tax litigations	-	-
Total	**2**	**0.80**

* *To the extent quantifiable and ascertainable*

v. *Material outstanding litigations*

As on the date of this DRHP, there are no material outstanding litigation against our Promoters.

B. Litigation initiated by our Promoters

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Promoters.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigations by our Promoters.

III. Litigation involving our Directors (other than Promoters)

A. Litigations against our Directors (other than Promoters)

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Directors.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Directors.

iii. *Tax proceedings*

Tax proceedings

Nature of the case	Number of cases	Total amount involved *(in ₹ million)**
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	**Nil**	**Nil**

** To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

As on the date of this DRHP, there are no material outstanding litigation against our Directors.

B. Litigation initiated by our Directors (other than Promoters)

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Directors.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigations by our Directors.

IV. Litigation involving our Group Company

As on the date of this DRHP, there are no litigation proceedings involving our Group Company, the outcome of which could have a material impact on our Company.

V. Litigations involving our Key Managerial Personnel and members of Senior Management (other than Directors)

i. *Criminal proceedings involving our Key Managerial Personnel and members of Senior Management*

As on the date of this DRHP, there are no criminal proceedings involving our Key Managerial Personnel and members of Senior Management.

ii. *Actions by regulatory authorities and statutory authorities*

As on the date of this DRHP, there are no actions against any of our Key Managerial Personnel and, or, members of Senior Management by any regulatory authority or statutory authority.

VI. Outstanding dues to creditors

As of March 31, 2025, our Company had 45 creditors and the aggregate amount due by us to these creditors was ₹ 244.18 million, as detailed below

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	27	38.53
Other creditors	18	205.65
Total	**45**	**244.18**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended*

Our Board, in its meeting held on September 8, 2025, has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors to whom an amount having a monetary value exceeds 5% of the total trade payables, i.e., ₹ 12.21 million, are considered material (**Material Creditors**). Details of outstanding dues owed to Material Creditors as on March 31, 2025, are set out below:

Particulars	Number of Material Creditors	Amount involved (in ₹ million)
Material Creditors	2	160.80

The details pertaining to outstanding overdues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at www.beharilalengineering.com/investors

It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.beharilalengineering.com, would be doing so at their own risk.

Material Developments since the date of the last Balance Sheet

Other than as set out below, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months from the date of this Draft Red Herring Prospectus:

Our Company has pursuant to the Board resolution dated May 1, 2025, allotted 31,231,460 Equity Shares of face value of ₹ 10 each by way of bonus issue in the ratio of 4 Equity Shares for each Equity Shares held on the record date i.e., May 1, 2025.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Except as disclosed herein and in 'Risk Factors', on page 60 (in relation to material approvals which are required but not obtained or applied for by us), our Company has received the necessary material consents, licenses, permissions, registrations and approvals from the relevant governmental, statutory and/ or regulatory authorities in India, which are necessary for undertaking its present business activities. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. Pursuant to the conversion of our Company into a public limited company, we are also in the process of applying to various regulatory authorities for change in name of the approvals obtained by us and have also made applications before various authorities for change in the name of our Company, in the ordinary course of business. We have set out below a list of material consents, licenses, permissions, and approvals from various governmental, statutory and regulatory authorities in India which are considered material and necessary for the purpose of undertaking our business activities. Unless stated otherwise, these material approvals are valid as on the date of this Draft Red Herring Prospectus. For further details in connection with the applicable regulatory and legal framework within which we operate, see 'Key Regulations and Policies' on page 327.

In addition to these approvals, we have also disclosed below (i) the approvals applied for, including renewal applications made, but not received; (ii) the approvals for which applications are yet to be made by our Company, and (iii) approvals required but not obtained or applied for by our Company. For further details in connection with the applicable regulatory and legal framework, see 'Key Regulations and Policies' on page 327.

I. Approvals in relation to the Offer

For details of approvals and authorisations in relation to the Offer, see '*Other Regulatory and Statutory Disclosures - Authority for the Offer*' on page 493.

II. Approvals in relation to incorporation of our Company

For details in relation to incorporation of our Company, see '*History and Certain Other Corporate Matters*' on page 333.

III. Approvals in relation to our Company's business operations:

Our Company is required to obtain various registrations and approvals in relation to our business. The registrations and approvals obtained by our Company in respect of our business operations include:

Business related approvals

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Importer Exporter Code	Office of Joint Directorate General of Foreign Trade, Ludhiana.	January 27, 2012	Valid until cancelled.
2.	Certificate of verification issued under Legal Metrology Act, 2019 for our Manufacturing Facility 1	Food, Civil Supplies & Consumer Affairs Office of Controller, Legal Metrology, Government of Punjab	September 12, 2025	September 11, 2026
3.	Certificate of verification issued under Legal Metrology Act,	Food, Civil Supplies & Consumer Affairs	March 5, 2025	March 3, 2026

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
	2019 for our Manufacturing Facility 2	Office of Controller, Legal Metrology, Government of Punjab		
4.	Registration of Legal Entity Identifier	Legal Entity Identifier India Limited	-	August 13, 2026

Labour related approvals

Sr. No.	Particulars	Issuing Authority	Reference No.
1.	Allotment of code number under Employees State Insurance Act, 1948 for our Manufacturing Facility 1	Employee State Insurance Corporation	12000608330000999
2.	Code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952 for our Manufacturing Facility 1	Ministry of Labour and Employment, Government of India	PBCHD0038702000
3.	Registration Certificate of Principal Employer Under the Contract Labour (Regulation and Abolition) Act, 1970	February 13, 2025	PTL00PE01502

Environmental laws

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Consent to Operate an Outlet under Water (Prevention & Control of Pollution) Act, 1974 for discharge of Effluent for our Manufacturing Facility 1	Punjab Pollution Control Board	May 7, 2024	September 30, 2029
2.	Consent to Operate under Air (Prevention & Control of Pollution) Act, 1981 for discharge of emissions arising out of premises for our Manufacturing Facility 1	Punjab Pollution Control Board	May 19, 2024	March 31, 2026
3.	Consent to Establish (NOC) for Expansion of an industrial plants under Water (Prevention & Control of Pollution) Act, 1974 and u/s 21 of Air	Punjab Pollution Control Board	March 21, 2024	-

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
	(Prevention & Control of Pollution) Act,1981 for our Manufacturing Facility 1			
4.	Fresh Authorization for operating a facility for Collection, Generation, Storage, Transportation, Hazardous Wastes under the Hazardous and Other Wastes (Management and Transboundary Movement Rules, 2016 for our Manufacturing Facility 1	Punjab Pollution Control Board	January 7, 2025	September 30, 2029
5.	Consent to Operate for discharge of emission arising out of premises under Air (Prevention & Control of Pollution) Act,1981 for our Manufacturing Facility 2	Punjab Pollution Control Board	September 17, 2025	December 31, 2028
6.	Consent to Operate for discharge of effluent under Water (Prevention & Control of Pollution) Act, 1974 for discharge of Effluent for our Manufacturing Facility 2	Punjab Pollution Control Board	September 17, 2025	December 31, 2028
7.	Consent to Establish (NOC) for setting up an industrial unit under Water (Prevention & Control of Pollution) Act, 1974 and u/s 21 of Air (Prevention & Control of Pollution) Act,1981 for our Manufacturing Facility 2	Punjab Pollution Control Board	December 21, 2020	-

Shops and Establishment Licenses

Sr. No.	Particulars	Issuing Authority	Registration No.	Date of Issue / Renewal	Expiry Date
1.	Registration Certificate of Establishment under Delhi Shops and Establishment Act, 1954	Department of Labour, Government of National Capital Territory of Delhi	2025117604	September 10, 2025	Valid till 21 years from the date of issue

Note: In terms of the provisions of the Punjab Shops and Commercial Establishments Act, 1958, our Company is not required to obtain a license under the Punjab Shops and Commercial Establishments Act, 1958.

Tax related approvals

Sr. No.	Particulars	Issuing Authority	Reference No.
1.	Permanent Account Number	Income Tax Department	AABCB7953P
2.	Tax Deduction Account Number	Income Tax Department	PTLB11084D

GST Registrations

Sr. No.	Name of the State	Principal Place of Business in the State	Reference No
1.	Punjab	Village Salani, Amloh Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab – 147 301, India.	03AABCB7953P1ZB
		Village Turan, Amloh Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab – 147 301, India.	03AABCB7953P2ZA
		Village Salani, Amloh Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab – 147 301, India.	03AABCB7953P1DK
		Village Turan, Amloh Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab – 147 301, India.	03AABCB7953P2DJ

Industrial Laws

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Licence to Work as Factory Under the Factories Act, 1948 for our Manufacturing Facility 1	Directorate of Factories, Punjab.	April 12, 2025	December 31, 2029
2.	License to Work as Factory Under the Factories Act, 1948 for our Manufacturing Facility 2	Directorate of Factories, Punjab.	April 12, 2025	December 31, 2025
3.	Fire NOC under the Punjab Fire Prevention and Fire Safety Act 2004 for our Manufacturing Facility 1	Punjab Fire Service	February 6, 2025	February 5, 2026
4.	Fire NOC under the Punjab fire Prevention and Fire Safety Act 2004 for our Manufacturing Facility 2	Punjab Fire Service	January 1, 2025	December 31, 2025
5.	NOC from PWD Dept. for construction industry for our Manufacturing Facility 2	Office: Executive Engineer, Construction Division, Public Works Department (Building & Road Branch) Nabha	March 1, 2021	-

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
6.	Permission for Change of Land Use for the land for our Manufacturing Facility 1	Department of Town and Country Planning Punjab	September 1, 2016	-
7.	Permission for Change of Land Use for our Manufacturing Facility 1 for an additional area measuring 1.4907 acres for Industrial Purpose (Manufacturing of Iron and Steel)	Competent Authority Project Approval Housing & Urban Development Department Punjab Bureau of Investment Promotion, Government of Punjab.	May 9, 2018	-
8.	Certificate for extension of 3000 kW/3000 kVA CD, having its existing load of 4000 kW/4000 kVA, to make total load of 7000 kW/7000 kVA for our Manufacturing Facility 1	Punjab State Power Corporation Ltd. Office of CE/Commercial, Patiala.	March 14, 2022	Valid until cancelled or modified.
9.	Permission of extraction of ground water under the Punjab Water Resources (Regulation and Management) Act 2020 before the Punjab Water Regulation and Development Authority for our Manufacturing Facility 2	Punjab Water Regulation and Development Authority, Chandigarh	September 23, 2025	September 22, 2028

IV. **Material Approvals applied for but not received by our Company:**

i. Application for permission for Extraction of Groundwater under the Punjab Water Resources (Regulation and Management) Act 2020 before the Punjab Water Regulation and Development Authority for our Manufacturing Facility 1;

ii. Application for issuing duplicate registration certificate under Punjab State Development Tax Act, 2018;

iii. While the following licenses / approvals are valid as on the date of this Draft Red Herring Prospectus, our Company has made an application to update the name and registered details on the below mentioned approvals:

a. Letter of approval in Form C for installing rooftop PV system for 1362 KWp for our Manufacturing Facility 1;

b. Letter of approval in Form C for installing rooftop PV system for 500 KWp for our

Manufacturing Facility 2;

c. Allotment of code number under Employees State Insurance Act, 1948 for our Manufacturing Facility 2;

d. Code number intimation letter in terms of Employee Provident Fund under Employees' Provident Fund and Miscellaneous Provisions Act, 1952 for our Manufacturing Facility 2;

e. NOC from Punjab Forests & Wildlife Department for our Manufacturing Facility 2;

f. Permission for Change of Land Use (CLU) to for our Manufacturing Facility 2; and

g. Permission in continuation of Change of Land Use for our Manufacturing Facility 2 for an additional area measuring 1.4907 acres for Industrial Purpose (Manufacturing of Iron and Steel).

V. **Approvals for which applications are yet to be made by our Company:**

Nil

VI. **Approvals required but not obtained or applied for, by our Company:**

Nil

OUR GROUP COMPANY

Under the SEBI ICDR Regulations, the definition of 'group companies' includes (a) such companies (other than the promoters and subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) such other companies as are considered material by our Board. Pursuant to the resolution passed by our Board at its meeting September 8, 2025, our Board formulated a policy with respect to companies which it considers material to be identified as group companies.

Accordingly, for (a), all such companies (other than our Subsidiary) with which our Company had related party transactions during the period covered in the Restated Financial Statements, as covered under the applicable accounting standards are considered as Group Company in terms of the SEBI ICDR Regulations. For (b), above, our Board does not consider any company as a group company.

Further, for (b) above, it has been determined that a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statements) shall be considered "material" and will be disclosed as 'group companies' in this Draft Red Herring Prospectus, if it is a member of the Promoter Group of our Company and has entered into one or more transactions with our company as per the latest fiscal covered in the Restated Financial Statements, that individually or cumulatively in value exceeds 10.00% of the total income of our Company for the latest fiscal covered in the Restated Financial Statements.

Set forth below, based on the aforementioned criterial, are the details of our Group Company as on the date of this Draft Red Herring Prospectus:

BLC Metals Private Limited

Corporate Information

The registered office of BLC Metals Private Limited is Shop (Comm), 447, Sec-3-C, Mandi, Gobindgarh, Fatehgarh Sahib, Mandi Gobindgarh, Punjab, India, 147301.

Financial Performance

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest audited financial statements of BLC Metals Private Limited for Fiscal 2025, 2024, and 2023, are available at https://www.beharilalengineering.com/investors

Nature and extent of interests of our Group Company

In the promotion of our Company

Our Group Company does not have any interest in the promotion or formation of our Company.

In the properties acquired or proposed to be acquired by our Company

Our Group Company does not have any interest in any property acquired by our Company in the 3 years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it as on date of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Business interests in our Company

Our Group Company does not have any business interest in our Company.

Business Transactions within our Group Company and significance on the financial performance of our Company

Except as disclosed under see '*Restated Financial Statements – Note 39 - Related Party Disclosures'* on page 421, there are no related business transactions with the Group Company.

Common pursuits of our Group Company

Our Group Company, i.e., BLC Metals Private Limited is engaged in business activities similar to those of our Company. Whilst we cannot assure you that a conflict of interest will not arise if the entity decides to pursue such activities in the future, our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when that may arise.

Litigation

As on date of this Draft Red Herring Prospectus, our Group Company is not party to any pending litigation which will have a material impact on our Company.

Utilisation of Offer Proceeds

There are no material existing or anticipated transactions in relation to utilisation of the Offer Proceeds with our Group Company.

Other confirmations

As on the date of this Draft Red Herring Prospectus, the securities of our Group Company are not listed on any stock exchange, and, therefore, there are no investor complaints pending against it.

As on the date of this Draft Red Herring Prospectus, there is no conflict of interest between the Group Company or any of their directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company). There is no conflict of interest between the Group Company or any of their directors and the suppliers of raw materials and third party service providers of our Company (who are crucial for the operations of our Company).

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated September 8, 2025, and by our Shareholders pursuant to a special resolution passed at their meeting dated September 23, 2025.

Our Board of Directors has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution passed at its meeting dated September 8, 2025. For further details, please see section titled '*The Offer*' on page 84.

Each of the Selling Shareholders have severally and not jointly confirmed and approved their participation in the Offer for Sale in relation to its portion of the Offered Shares, as set out below:

Sr. No.	Name of the Selling Shareholder	Type	Date of Consent Letters	Date of Resolutions	Maximum number of Offered Shares
1.	Lovlish Garg	Promoter Selling Shareholder	September 8, 2025	NA	514,028
2.	Rajesh Garg	Promoter Selling Shareholder	September 8, 2025	NA	2,045,985
3.	Dinesh Kumar Garg HUF	Promoter Group Selling Shareholder	September 8, 2025	NA	297,033
4.	Yogita Garg	Promoter Group Selling Shareholder	September 8, 2025	NA	2,264,720
5.	SG Tech Private Limited	Investor Selling Shareholder	September 8, 2025	September 8, 2025	2,732,755

For further details, please see section titled '*The Offer*' on page 84.

Our Board has approved this Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated September 26, 2025.

In-Principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares of face value of ₹ 10 each pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of our Promoter Group, and our Directors and persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities. None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

The Selling Shareholders, severally and not jointly, confirm that they are not prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, Promoters or Directors have neither been declared as Wilful Defaulters nor Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

None of our Promoters or Directors have been declared as Fugitive Economic Offenders.

Other confirmations

As on the date of this Draft Red Herring Prospectus, there is no conflict of interest between the lessors of immovable properties of (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

As on the date of this Draft Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third party service providers (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

Other than as disclosed in the '*Our Management – Other confirmation*' at page 348, none of the Directors, or Promoters or individuals forming part of the Promoter Group of our Company is appearing in the list of directors of struck-off companies.

None of the investors of the Company are directly or indirectly related to the BRLMs or any of its associates.

No material clause of the Articles of Association, as set out in '*Description of Equity Shares and Main Provisions of the Articles of Association*' at page 540 having a bearing on the Offer or the disclosure in this Draft Red Herring Prospectus, has been left out.

Directors associated with the Securities Market

As on date of this Draft Red Herring Prospectus, none of our Directors are in any manner, associated with securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the 5 years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of our Promoter Group, and the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding 3 years;

- Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

- Except as disclosed in '*History and Certain Corporate Matters -Amendments to our Memorandum of Association*' on page 333, our Company has not changed its name in the year immediately preceding the date of this Draft Red Herring Prospectus. The change of its name does not indicate a new line of business / activity for the Company. Further our Company has not undertaken any new business activity indicated pursuant to the new name.

Our Company's pre-tax operating profits, net worth, restated net tangible assets and restated monetary assets derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three financial years ended March 31 are set forth below:

Derived from our Restated Financial Statements:

(in ₹ million)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Operating Profit, as restated [(1)]	623.34	483.54	370.74
Average Operating Profit	492.54		
Net Worth, as restated [(2)]	2,416.16	1,936.59	1,194.92
Net Tangible Assets, as restated [(3)]	**2,414.06**	**1,937.27**	**1,195.94**
Monetary Assets, as restated [(4)]	384.22	390.92	22.89
Monetary assets as a percentage of the net tangible assets (in %), as restated	**15.92%**	**20.18%**	**1.91%**

(1) 'Operating Profit' means restated profit before tax excluding other income, finance costs and exceptional items.

(2) 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation except the goodwill emanating out of amalgamation has not been considered

(3) 'Net Tangible Assets' means sum of all net assets of the Company as per the Restated Financial Statements and excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as defined under the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015).

(4) 'Monetary Assets' means cash in hand, balance with bank in current and deposit account as per the Restated Financial Statements.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

The status of our compliance with Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, the Promoters, members of the Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) None of the Selling Shareholders are not debarred from accessing the capital markets by SEBI;

(iii) The companies with which our Promoters or our Directors are associated as promoters or director are not debarred from accessing the capital markets by SEBI;

(iv) Neither our Company, nor our Promoters nor our Directors have been identified as a wilful defaulter or a fraudulent borrower (as defined in the SEBI ICDR Regulations) by any bank or financial institution or consortium thereof in accordance with the RBI master direction dated July 01, 2016;

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

(vi) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of face value of ₹ 10 each of our Company as on the date of filing of this Draft Red Herring Prospectus;

(vii) Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated January 8, 2025, and December 19, 2024, with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(viii) The Equity Shares of face value of ₹ 10 each of our Company held by our Promoters are in dematerialised form;

(ix) The Equity Shares of face value of ₹ 10 each are fully paid-up and there are no partly paid-up Equity Shares of face value of ₹ 10 each as on the date of filing of this Draft Red Herring Prospectus;

(x) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance;

(xi) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares of face value of ₹ 10 each pursuant to their letters dated [●] and [●], respectively; and

(xii) Our Company has appointed [●] as the Designated Stock Exchange.

Our Company will ensure compliance with the conditions specified in Regulation 7(2) and 7(3) of the SEBI ICDR Regulations, to the extent applicable.

Each of the Selling Shareholders, severally and not jointly, confirms that the Offered Shares have been held by them in compliance with Regulation 8 of the SEBI ICDR Regulations.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, EMKAY GLOBAL FINANCIAL SERVICES LIMITED AND SYSTEMATIX CORPORATE SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS ARE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES OR THEIR RESPECTIVE PORTION OF THE OFFERED SHARES. THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 26, 2025, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoters, our Directors and the BRLMs

Our Company, our Promoters, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.beharilalengineering.com, or the respective websites of members of our Promoter Group, Group Company or any affiliate of our Company, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the BRLMs and their respective directors, trustees, employees, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares of face value of ₹ 10 each and will not issue, sell, pledge, or transfer the Equity Shares of face value of ₹ 10 each to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLMs and their respective directors, trustees, employees, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, our Promoters, members of the Promoter Group, and their respective directors and officers, Group Company, or third parties in the ordinary course of business and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, Directors, Promoters, officers, agents, Group Company, for which they have received, and may in future receive compensation.

Disclaimer from the Selling Shareholders

The Selling Shareholders, severally and not jointly, accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website at www.beharilalengineering.com, or the respective websites of our Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The Selling Shareholders, severally and not jointly, accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholders in relation to themselves as a Selling Shareholders and their respective portion of the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholders and their representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares of face value of ₹ 10 each and will not sell, pledge, or transfer the Equity Shares of face value of ₹ 10 each to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholders and their representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

Bidders eligible under Indian law to participate in the Offer

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systematically important Non-Banking Financial Companies

("**NBFCs**") registered with RBI or trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, permitted provident funds (subject to applicable law) and pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI,) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares of face value of ₹ 10 each issued hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares of face value of ₹ 10 each represented hereby may not be issued, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and any of Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares of face value of ₹ 10 each in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares of face value of ₹ 10 each in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares of face value of ₹ 10 each in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares of face value of ₹ 10 each issued in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States or to, or for the account or benefit of, U.S. Persons as defined in Regulation S under the U.S. Securities Act ("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 accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares of face value of ₹ 10 each are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

The Equity Shares of face value of ₹ 10 each have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares of face value of ₹ 10 each that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares of face value of ₹ 10 each or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares of face value of ₹ 10 each or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by BSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares of face value of ₹ 10 each issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on the Stock Exchanges. [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares of face value of ₹ 10 each being issued and sold in the Offer.

If the permission to deal in and for an official quotation of the Equity Shares of face value of ₹ 10 each is not granted by both the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares of face value of ₹ 10 each at the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI. If our Company does not allot Equity Shares of face value of ₹ 10 each pursuant to the Offer within three Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Each of the Selling Shareholders have undertaken to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from such Selling Shareholder, in relation to their portion of Offered Shares, to facilitate the process of listing and commencement of trading of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of: (a) Selling Shareholders, our Directors, our Promoters, our Company Secretary and Compliance Officer, Chief Financial Officer, Banker(s) to the Company, legal counsel to the Company, CRISIL, Independent Chartered Engineer, Practicing Company Secretary, the BRLMs, the Registrar to the Offer, Statutory Auditor, Lenders, in their respective capacities, have been obtained and such consents, which have been obtained, have not been withdrawn as of the date of this Draft Red Herring Prospectus; (b) Monitoring Agency; the Syndicate Members, the Banker(s) to the Offer / Escrow Collection Bank(s) , Public Issue Account Bank(s), Refund Bank(s) andSponsor Bank(s), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act.

Expert opinion

Except as set out below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 26, 2025, from our Statutory Auditors namely, M/s Ashwani & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as 'expert' as required under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated September 8, 2025, on our Restated Financial Statements; and the statement of special tax benefits dated September 26, 2025, available to the Company and its shareholders included in this Draft Red Herring Prospectus in terms of Section 26(5) of the Companies Act, read with SEBI ICDR Regulations, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 26, 2025, from GATS India Ltd, Independent Chartered Engineer to include their name as an 'expert' as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an Independent Chartered Engineer in respect of the

certificate dated September 26, 2025, issued by them in connection with the quotations obtained from vendors in relation to the Objects of the Offer and installed capacity and capacity utilisation of our facilities and certain other details and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act

Our Company has received written consent dated September 26, 2025, from Chauhan Pradeep & Associates, practicing Company Secretary to include their name as an 'expert' as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as defined under Section 2(38) of the Companies Act to the extent and in its capacity as Practicing Company Secretary in respect of the certificates dated September 26, 2025, issued by them in connection with certain untraceable corporate records of our Company and certain other details in relation to our Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding public or rights issues undertaken by our Company during the last 5 years

Our Company has not made any public issue or rights issue during the last 5 years immediately preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, or associate entity during the last 3 years

Other than as disclosed in '*Capital Structure*' on page 103, our Company has not made any capital issues during the 3 years preceding the date of this Draft Red Herring Prospectus.

The securities of our Group Company are not listed on any stock exchange. Accordingly, our Group Company has not made any capital issues during the 3 years immediately preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

Commission and brokerage paid on previous issues of Equity Shares in the last 5 years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares of face value of ₹ 10 each in the 5 years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* objects – Public/ rights issue of our Company

Our Company has not made any public issue or rights issue in the 5 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis- à-vis* objects: Public/ rights issue of the listed subsidiaries and listed promoters

As of the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary or listed corporate promoters.

Price information of past issues handled by the BRLMs

A. Emkay Global Financial Services Limited

Price information of past issues handled by Emkay Global Financial Services Limited (during the current Fiscal and two Fiscals preceding the current Fiscal):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Awfis Space Solutions Limited	5,989.25	383.00	NSE	May 30, 2024	435.00	34.36% [6.16%]	100.18% [10.61%]	83.16% [7.09%]
2.	J.G. Chemicals Limited	2,511.90	221.00	BSE	March 13, 2024	211.00	2.47% [1.41%]	4.10% [3.37%]	85.54% [9.72%]

***Source**: www.bseindia.com and www.nseindia.com for price information and prospectus/basis of allotment for issue details.*

Summary statement of price information of past public issues handled by Emkay Global Financial Services Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-2026*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-2025	1	5,989.25	-	-	-	-	1	-	-	-	-	1	-	-
2023-2024	1	2,511.90	-	-	-	-	-	1	-	-	-	1	-	-

**The information for each of the financial years is based on issues listed during such financial year.*

B. Systematix Corporate Services Limited

Price information of past issues handled by Systematix Corporate Services Limited*: *(during the current Fiscal and two Fiscals preceding the current Fiscal):

Sr. No.	Issue Name	Issue Size (in Rs. Mn)[6]	Issue Price (Rs.)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Vikran Engineering Limited	7,720.00	97.00	NSE	September 03, 2025	99.00	N.A.	N.A.	N.A.
2.	Mangal Electrical Industries Limited	4,000.00	561.00	NSE	August 28, 2025	558.00	N.A.	N.A.	N.A.
3.	Indogulf Cropsciences Limited	2,000.00	111.00[7]	BSE	July 3, 2025	111.00	-1.26% [-3.17%]	N.A.	N.A.
4.	Exicom Tele-Systems Limited	4,289.99	142.00	NSE	March 5, 2024	265.00	+43.52% [+0.35%]	+120.63% [+0.78%]	+171.51% [+12.88%]

Source: www.nseindia.com; www.bseindia.com, as applicable

Notes

(1) Based on date of listing.

(2) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.

(3) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

(4) Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.

(5) Disclosure in Table-1 restricted to 10 issues.

(6) As per Prospectus excluding pre-ipo placement

(7) Indogulf Cropsciences Limited - A discount of ₹ 11 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹111 per equity share.

Table 2: Summary Statement of price information of past public issues handled by Systematix Corporate Services Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ million)*	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-2026*	3	13,720.00	-	-	1	-	-	-	NA	NA	NA	NA	NA	NA
2024-2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-2024	1	4,289.99	-	-	-	-	1	-	-	-	-	1	-	-

**The information for each of the financial years is based on issues listed during such financial year.*

Source: www.nseindia.com; www.bseindia.com, as applicable

NA means Not Applicable.

The information is as on the date of the document

(1) Based on date of listing.

(2) Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

(3) Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.

(4) As per Prospectus excluding pre-ipo placement.

Website track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference bearing number CIR/MIRSD/1/2012 dated January 10, 2012, issued by SEBI, see the websites of the BRLMs as set forth in the table below:

Sr No.	Name of the BRLM	Website
1.	Emkay Global Financial Services Limited	www.emkayglobal.com
2.	Systematix Corporate Services Limited	www.systematixgroup.in

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares of face value of ₹ 10 each are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, *inter alia,* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and subject to applicable laws, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. Further, in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of 8 years from the date of listing and commencement of trading of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges or any such period as prescribed under the applicable laws, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares of face value of ₹ 10 each applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares of face value of ₹ 10 each applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs with whom the Anchor Investor Application Form was submitted by the Anchor Investor. All grievances relating to Bids submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

For helpline details of the Book Running Lead Managers pursuant to the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), see '*General Information - Book Running Lead Managers*' on page 94.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares of face value of ₹ 10 each in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below. Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SEBI SCORES in terms of the SEBI master circular bearing number SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 and SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last 3 Fiscals prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company and/or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

The Selling Shareholders have authorised our Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has appointed Sanjeev Kumar Sehgal, as our Company Secretary and Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Village Salani, Amloh Road,
Mandi Gobindgarh,

Punjab-147301, India.
Telephone: +91 17655 20694
E-mail: cs@beharilalgroup.com

For further information, see '*General Information-Company Secretary and Compliance Officer*' on page 93.

Further, our Board has also constituted the Stakeholders' Relationship Committee comprising of Ayussh Mittaal as Chairperson, and Meena Rohilla, Anil Kumar Bansal, Rajesh Garg and Dinesh Garg as members, to review and redress shareholder and investor grievances. For further information, see '*Our Management – Stakeholders' Relationship Committee'* on page 354.

Disposal of investor grievances by listed group companies and subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary and our Group Company is not listed on any stock exchange, and, therefore, there are no investor complaints pending against them.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws since its incorporation.

Other Confirmations

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

There are no findings/observations of any of the inspections by SEBI or any other regulator which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision in the Offer.

SECTION VIII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares of face value of ₹ 10 each being offered, allotted and transferred in this Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, the Bid-cum-Application Form, the Revision Form, the CAN, Allotment Advice, the Abridged Prospectus and other terms and conditions as maybe incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares of face value of ₹ 10 each will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating the issue of capital and listing and trading of securities, offered from time to time, by the SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and /or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and /or regulatory authority while granting approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Offer shall be borne by our Company and the Selling Shareholders in the manner agreed to among our Company and the Selling Shareholders and in accordance with applicable laws. For details in relation to the sharing of Offer expenses between our Company and the Selling Shareholders, please see section titled '*Objects of the Offer*' on page 133.

Ranking of the Equity Shares

The Equity Shares of face value of ₹ 10 each being offered, Allotted and transferred in the Offer will be subject to the provisions of the Companies Act 2013, the Memorandum of Association, the Articles of Association, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA and SCRR and will rank pari passu in all respects with the existing Equity Shares of face value of ₹ 10 each of our Company, including in respect of dividends, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. The Allottees upon Allotment of Equity Shares of face value of ₹ 10 each under the Offer will be entitled to dividend, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see '*Dividend Policy*' and '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 370 and 540, respectively.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment (pursuant to the transfer of Equity Shares of face value of ₹ 10 each from the Offer for Sale) in this Offer will be payable to the Allottees who have been allotted or transferred Equity Shares of face value of ₹ 10 each pursuant to the Offer, for the entire year, in accordance with applicable law. For more information, see '*Dividend Policy*' and '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 370 and 540, respectively.

Face Value, Price Band and Offer Price

The face value of each Equity Share is ₹ 10, and the Offer Price is ₹ [●] per Equity Share. The Floor Price of the Equity Shares of face value of ₹ 10 each is ₹ [●] and the Cap Price of the Equity Shares of face value of ₹ 10 each is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size in the Offer will be decided by our Company, in consultation with the BRLMs and, advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] editions of [●] (a Punjabi daily newspaper) (Punjabi being the regional language of Punjab where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of

the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares of face value of ₹ 10 each offered by way of Book Building Process.

At any given point of time there, will be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosures and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI Listing Regulations, our Memorandum of Association and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see '*Description of Equity Shares and Main Provisions of Articles of Association'* on page 540.

Joint Holders

Subject to the provisions contained in the Articles of Association of our Company, where 2 or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares of face value of ₹ 10 each as joint holders with benefits of survivorship.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, and, the SEBI ICDR Regulations, the Equity Shares of face value of ₹ 10 each shall be Allotted only in dematerialised form. Hence, the Equity Shares of face value of ₹ 10 each offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, the following agreements have been signed among our Company, the respective Depositories, and the Registrar to the Offer:

- Tripartite Agreement dated January 8, 2025 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated December 19, 2024 between CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment in this Offer will be

only in electronic form in multiples of 1 Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see '*Offer Procedure*' on page 518.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any 1 person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares of face value of ₹ 10 each Allotted, if any, shall vest. to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares of face value of ₹ 10 each by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares of face value of ₹ 10 each who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares of face value of ₹ 10 each in the Offer will be made only in dematerialized mode, there is no requirement to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) filing of the Prospectus with the RoC; and (ii) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment .

Bid/Offer Programme

BID/ OFFER OPENS ON*	[●]
BID/ OFFER CLOSES ON	[●]**^

**Our Company in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/ Offer Opening Date.*

***Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares of face value of ₹ 10 each to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges	On or about [●]

** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, in accordance with applicable law.For (i) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), and the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (ii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; iii) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the SCSB for such delay in unblocking, in accordance with applicable law. The Bidders shall be compensated by the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the Self Certified Syndicate Bank(s)(**SCSB**), to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or such period as may be prescribed by the SEBI, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares of face value of ₹ 10 each will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares of face value of ₹ 10 each at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as prescribed by SEBI.

The Offer Procedure is subject to change based on any revised SEBI circulars that are issued or are effective or become applicable, after filing of this Draft Red Herring Prospectus.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis in accordance with the SEBI RTA Master Circular.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) - For Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through Online channels like internet banking, mobile banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate non-retail, non-individual applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (Syndicate non-retail, non-individual applications of QIBs and NIIs where Bid Amount is more than ₹0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST and Syndicate members shall transfer such applications to banks before 1 p.m. IST
Modification/ revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date

* *UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date.*

QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

b) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under the Offer. Bids and any revision in Bids will only be accepted on Working Days. Bidders may please note that as per letter no. List/SMD/SM/2006

dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, provide that the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Offer Period not exceeding ten Working Days. In cases of *force majeure*, banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding ten Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Withdrawal of the Offer

Our Company in consultation with the BRLMs, reserve the right not to proceed with the Offer and each of the Selling Shareholders, reserve the right not to proceed with, the Offer for Sale, in whole or in part thereof, to the extent of its respective portion of the Offered Shares, at any time after the Bid/Offer Closing Date but before Allotment. In such an event, our Company will issue a public notice within two days from the Bid/ Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Banks, as the case may be, to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank within one Working Day from the day of receipt of such instruction and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within 2 Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law.

Minimum Subscription

In case our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or minimum subscription of 90% of the Fresh Issue portion through Offer Document on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the securities so issued under the issue document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular (to the extent applicable. If there is a delay beyond the prescribed time, our Company, and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum. It is clarified that the Selling Shareholders, be liable to refund money raised in the Offer together with any interest for delays in making refunds as per applicable law, only to the extent of their respective portion of Offered Shares. Notwithstanding the foregoing, no liability to make any payment of interest shall accrue on the Selling Shareholders and such interest shall be borne by our Company unless any delay of the payments to be made hereunder, or any delay in obtaining listing and/or trading approvals or any approvals in relation to the Offer is solely and directly attributable to an act or omission of the Selling Shareholders.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, Equity Shares will be Allotted first towards the Fresh Issue from the valid bid followed by Allotment of Equity Shares offered by Selling Shareholders proportion of Equity Shares offered by them in the Offer for Sale. The Selling Shareholders shall reimburse in proportion to the portion of their Offered Shares, any expenses and interest incurred by our Company on behalf of such Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that such Selling Shareholders were not responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholders.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares of face value of ₹ 10 each will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangement for Disposal of Odd Lots

Since our Equity Shares of face value of ₹ 10 each will be traded in dematerialised form only and the market lot for our Equity Shares of face value of ₹ 10 each will be 1 Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of shares / debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 540.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, Allotment of Equity Shares of face value of ₹ 10 each to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares of face value of ₹ 10 each in physical form. The Equity Shares of face value of ₹ 10 each on Allotment will be traded only in the dematerialised segment of the Stock Exchanges.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares of face value of ₹ 10 each for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million, comprising of Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,100.00 million by our Company and an Offer for Sale of up to 7,854,521 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by our Selling Shareholders. The Offer is being made through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulation.

The face value of Equity Shares is ₹ 10 each.

The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation*[(2)]	Not more than [●] Equity Shares of face value of ₹ 10 each.	Not less than [●] Equity Shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders(s)	Not less than [●] Equity Shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidder(s) will be available for allocation, out of which: i. one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and ii. two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million.	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/allocation if respective category oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate	The Equity Shares of face value of ₹ 10 each available for allocation to Non-Institutional Investors under the Non-Institutional Category shall be subject to the following:	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares of face value of ₹ 10

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value of ₹ 10 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	(a) One-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) Two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 1 million. Provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	each in the Retail Portion and the remaining available Equity Shares of face value of ₹ 10 each if any, shall be Allotted on a proportionate basis. For details, see *'Offer Procedure'* on page 518.
Mode of Bid^	Only through the ASBA process (excluding the UPI Mechanism) except for Anchor Investors	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 0.50 million)	Only through the ASBA process (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter so that the Bid Amount exceeds ₹ 0.20 million.	Such number of Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid Amount exceeds ₹ 0.20 million.	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹10 each thereafter

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the Offer Size (excluding the Anchor Investor Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the Offer Size (excluding the QIB Portion), subject to applicable limits under applicable law.	Such number of Equity Shares of face value of ₹ 10 each in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 0.20 million.
Mode of allotment	Compulsorily in dematerialised form.		
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter.		
Allotment Lot	A Minimum of [●] Equity Shares of face value of ₹ 10 each and in multiples of 1 Equity Share thereafter for QIBs and RIIs. For NIIs allotment shall not be less than the minimum non-institutional application size.		
Trading Lot	1 Equity Share		
Who can apply[(3)]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, multilateral and bilateral development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) applying for Equity Shares of face value of ₹ 10 each such that the Bid amount does not exceed ₹ 0.20 million in value.
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.[(4)]		

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for UPI Bidders) that is specified in the ASBA Form at the time of submission of the ASBA Form.		

***** *Assuming full subscription of the Offer.*

^ *The SEBI ICDR Master Circular has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIB, NII and Retail and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked*

(1) Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For further details, see 'Offer Procedure' on page 518.

(2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be Allotted on a proportionate basis to QIBs. Such number of Equity Shares of face value of ₹ 10 each representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares of face value of ₹ 10 each available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which one-third of the Non- Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million, and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

(4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Application Forms, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchanges, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see '*Terms of the Offer*' on page 507.

Bids by FPIs with certain structures as described under '*Offer Procedure - Bids by FPIs*' on page 526 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares of face value of ₹ 10 each Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Share.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (**General Information Document**) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form.. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) price discovery and allocation; and (xiv) interest in case of delay in Allotment or refund.

*SEBI through the UPI Circulars has introduced an alternate payment mechanism using Unified Payments Interface (**UPI**) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for UPI Retail Individual Inverstors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**), until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 for applications by UPI Bidders through Designated Intermediaries (other than SCSBs), as superseded by SEBI ICDR Master Circular (to the extent applicable), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (**UPI Phase II**). Subsequently, however, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI ICDR Master Circular, extended the timeline for implementation of UPI Phase II till further notice.*

*Thereafter, vide SEBI Stock Stock Broker Master Circular, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**UPI Phase III**). The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any further circulars, clarification or notification issued by the SEBI from time to time.*

Furthermore, pursuant to the SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular), all individual bidders in initial public offerings whose application size are up to ₹0.50 million shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Pursuant to the SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular), applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

*Further, the SEBI circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (**SEBI RTA Master Circular**) and circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, have introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.*

Additionally, pursuant to the SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The SEBI ICDR Master Circular has consolidated and rescinded some of the aforementioned circulars, to the extent they relate to the SEBI ICDR Regulations, and also prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus.

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (**SCSBs**) only after such banks provide a written confirmation on compliance SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date in accordance with the SEBI ICDR Master Circular, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI ICDR Master Circular, has reduced the timelines for refund of Application money to four days. The BRLMs shall be the nodal entity for any issues arising out of the public issuance process.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares of face value of ₹ 10 each that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares of face value of ₹ 10 each shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares of face value of ₹ 10 each available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchanges subject to applicable laws. Under-subscription, if any, in the QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares of face value of ₹ 10 each will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares of face value of ₹ 10 each in physical form.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021.

Phased implementation of UPI

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from 6 Working Days to up to 3 Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in 3 phases in the following manner:

a) **Phase I**: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of 5 main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be 6 Working Days.

b) **Phase II**: This phase has become applicable from July 1, 2019. SEBI through its Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Further, SEBI through its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the physical ASBA Form by an RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be 6 Working Days during this phase.

c) **Phase III**: Pursuant to SEBI Stock Broker Circular, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**T+3 Circular**). The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

   Pursuant to the SEBI ICDR Master Circular (to the extent that such circulars pertain to the UPI Mechanism) which has consolidated and rescinded the above mentioned circulars except the SEBI Stock Brokers Master Circular (**UPI Streamlining Circular**), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the applicable law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLMs will be required to compensate the concerned investor.

   Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Offer will be made under UPI Phase III of the UPI Circulars.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. a Syndicate Member;

ii. a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

iv. a registrar to an offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least 1 day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Anchor Investor the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through the UPI Mechanism. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

All ASBA Bidders must provide either (i) bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

For all IPOs opening on or after September 1, 2022, as specified by the SEBI ICDR Master Circular, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. QIBs, Non-Institutional Investors and Retail Individual Investors, and also for all modes through which the applications are processed.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA form in the manner below:

a. RIBs (other than the UPI Bidders using the UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

b. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

c. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis(1)	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors(2)	[●]

** Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Anchor investor Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

The Equity Shares of face value of ₹ 10 each offered in the Offer have not been and will not be registered, listed, or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares of face value of ₹ 10 each have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, 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 Equity Shares of face value of ₹ 10 each 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 and the applicable laws of the jurisdictions where those offer and sales occur.

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and

re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

Subsequently, for ASBA Forms (other than UPI Bidders using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate a request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank on a continuous basis.

In accordance with BSE Circular no: 20220803-40 and NSE Circular no: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5.00 p.m. on the Bid/Offer Closing Date (**Cut-Off Time**). Accordingly, UPI Bidders Bidding using the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send alerts as specified in SEBI ICDR Master Circular (to the extent applicable).

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular (to the extent applicable).

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares of face value of ₹ 10 each with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

1. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

2. On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as will be disclosed in the Red Herring Prospectus.

3. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5:00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by the Promoter, the members of our Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to the Promoters, the members of our Promoter Group, BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares of face value of ₹ 10 each in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares of face value of ₹ 10 each in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, neither the BRLMs nor its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an 'associate of the Lead Manager' if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and the members of our Promoter Group shall not participate by applying for Equity Shares of face value of ₹ 10 each in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the members of our Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or the members of our Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or the members of our Promoter Group of our Company.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations and in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

2. The Bid must be for a minimum of such number of Equity Shares of face value of ₹ 10 each so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open 1 Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

5. Our Company, in consultation with the BRLMs, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    a. maximum of 2 Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

b. minimum of 2 and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

c. in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of 5 such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares of face value of ₹ 10 each allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchange.

7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Offer.

9. 50% Equity Shares of face value of ₹ 10 each Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining 50% of the Equity Shares of face value of ₹ 10 each shall be locked-in for a period of 90 days from the date of Allotment.

10. Neither the BRLMs or any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices which are associate of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs nor any 'person related to the Promoters or the members of our Promoter Group' shall apply in the Offer under the Anchor Investor Portion.

11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

12. For more information, see the General Information Document.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded fund sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept

the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident External Accounts (**NRE Account**), or Foreign Currency Non-Resident Accounts (**FCNR Account**), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident Ordinary (**NRO**) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

For details of restrictions on investment by NRIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 538.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: 'Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta'. Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares of face value of ₹ 10 each is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. 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, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

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 is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

1. such offshore derivative instruments are issued only by persons registered as Category I FPIs;

2. such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

3. such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

4. such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (1) to (4)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (MIM Structure) structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned 7 structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares of face value of ₹ 10 each allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 538. Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, (**SEBI AIF Regulations**) prescribe, amongst others, the investment restrictions on AIFs. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations, *inter alia* prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments,

including in public offerings. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (**Banking Regulation Act**), and Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking Companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under Regulation 9 the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 **(IRDA Investment Regulations**), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares of face value of ₹ 10 each that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of 3 Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares of face value of ₹ 10 each shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares of face value of ₹ 10 each will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] editions of [●] (a Punjabi daily newspaper) (Punjabi being the regional language of Punjab where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price, but prior to the filing of the Prospectus. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer Size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares of face value of ₹ 10 each or the Bid Amount) at any stage. Retail Individual Investors can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;

5. UPI Bidders bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate members, Registered Brokers, RTA or CDP;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer;

8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than UPI Bidders bidding using the UPI Mechanism);

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the link available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time;

14. UPI Bidders who wish to Bid using the UPI Mechanism should submit their Bids with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the UPI Bidder's ASBA Account;

15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

17. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. of the Working Day immediately after the Bid/Offer Closing Date;

18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from

specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in 'active status'; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

20. Bidders should ensure that their PAN is linked with their Aadhaar and that they are in compliance with the notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021, September 17, 2021, March 30, 2022, and March 28, 2023;

21. Ensure that the Demographic Details are updated, true and correct in all respects;

22. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

23. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

24. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

25. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

26. Ensure that Bids above ₹ 0.50 million submitted by ASBA Bidders are uploaded only by the SCSBs;

27. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

28. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

29. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

30. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹ 0.20 million (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. If you are a UPI Bidder using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

10. Anchor Investors should not Bid through the ASBA process;

11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

13. Do not submit the General Index Register (GIR) number instead of the PAN;

14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

15. Do not submit a Bid in case you are not eligible to acquire Equity Shares of face value of ₹ 10 each under applicable law or your relevant constitutional documents or otherwise;

16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

20. Do not Bid for more Equity Shares of face value of ₹ 10 each than what is specified by respective Stock Exchange for each category;

21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

22. Do not submit your Bid after 5.00 pm on the Bid/Offer Closing Date;

23. In case of ASBA Bidders (other than 3-in-1 Bids), the Syndicate Members shall ensure that they do not upload any Bids above ₹ 0.5 million;

24. Do not fill up the Bid cum Application Form such that the Equity Shares of face value of ₹ 10 each Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares of face value of ₹ 10 each that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares of face value of ₹ 10 each or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB may revise or withdraw their Bids on or before the Bid/Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are a UPI Bidder using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;

27. If you are a UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

28. Do not Bid if you are an OCB;

29. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website are liable to be rejected;

30. Do not submit the Bid cum Application Forms to any non-SCSB bank; and

31. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidders using the UPI Mechanism).

For helpline details of the Book Running Lead Manager pursuant to the SEBI ICDR Master Circular (to the extent applicable), see '*General Information - Book Running Lead Managers*' on page 94.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Secretary and Compliance Officer and the Registrar, see '*General Information*' on page 92. For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

8. Bids submitted without the signature of the First Bidder or sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by persons who are not eligible to acquire Equity Shares of face value of ₹ 10 each in terms of all applicable laws, rules, regulations, guidelines and approvals; and

13. Bids accompanied by stock invest, money order, postal order or cash.

Further, in case of any pre-offer or post offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer, and the Registrar to the Offer. For details of the Company Secretary and Compliance Officer, and the Registrar to the Offer., see '*General Information*' on page 92.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares of face value of ₹ 10 each offered through the Offer through the Offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares of face value of ₹ 10 each to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares of face value of ₹ 10 each to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allotment to each Non-Institutional Investors shall not be less than the minimum application size, subject to the availability of Equity Shares of face value of ₹ 10 each in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment of Equity Shares of face value of ₹ 10 each to Anchor Investors shall be on a discretionary basis. The Equity Shares of face value of ₹ 10 each available

for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Non-Institutional Investors with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for Non-Institutional Investors with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares of face value of ₹ 10 each allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

i. In case of resident Anchor Investors: '[●]'

ii. In case of Non-Resident Anchor Investors: '[●]'

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares of face value of ₹ 10 each in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated January 8, 2025 among NSDL, our Company and the Registrar to the Offer.

- Tripartite Agreement dated December 19, 2024 among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares of face value of ₹ 10 each are proposed to be listed within 3 Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;

3. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within 2 days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares of face value of ₹ 10 each are proposed to be listed shall also be informed promptly;

6. That if our Company, in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;

7. Minimum Promoters' Contribution shall be brought in advance before the Bid/Offer Opening Date;

8. That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

9. No further Offer of Equity Shares of face value of ₹ 10 each shall be made until the Equity Shares of face value of ₹ 10 each issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and

10. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period.

Utilisation of Offer Proceeds

Our Board confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act and the details of all monies utilised out of the Offer shall be disclosed, and continued to be disclosed till the time any part of the Offer proceeds reman unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised. Details of all monies unutilised, shall be disclosed under an appropriate head in the balance sheet of our Company indicating the from in which such unutilised monies have been invested.

The Company and the Selling Shareholders, specifically confirm and declare that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 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 securities; 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 securities; or

(iii) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities 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 for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than 6 months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to 3 times such amount (provided that where the fraud involves public interest, such term shall not be less than 3 years). Further, where the fraud involves an amount less than ₹ 1 million or 1% 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 5 years or with fine which may extend to ₹ 5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 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 manner in which such investment may be made. 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. The RBI and concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (**FDI**) through press notes and press releases.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (**Consolidated FDI Policy**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

As per the Consolidated FDI Policy, FDI in companies engaged in manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled '*Offer Procedure – Bids by Eligible NRIs*' and '*Offer Procedure – Bids by FPIs*' on page 525 and 526, respectively.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of, and in accordance with the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non- debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of 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, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 which came into effect on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, see '*Offer Procedure*' on page 518. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period. In accordance with the FEMA NDI Rules, participation by non-residents in the Offer is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Instruments Rules, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding the sectoral or statutory cap; and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA NDI Rules.

The Equity Shares of face value of ₹ 10 each offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares of face value of ₹ 10 each are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

The Equity Shares of face value of ₹ 10 each have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see '*Offer Procedure – Bids by Eligible NRIs*' and '*Offer Procedure - Bids by FPIs*' on page 525 and 526, respectively.

The above information is given for the benefit of the Bidders. The information does not purport to be a complete analysis of the restrictions under Indian laws for the acquisition and/or transfer of securities in an Indian company by a person resident outside India. Our Company, our Promoters, our Directors, the Selling Shareholders and the BRLMs are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares of face value of ₹ 10 each Bid for which do not exceed the applicable limits or maximum number of Equity Shares of face value of ₹ 10 each that can be held by them under applicable laws and regulations or as specified in this Draft Red Herring Prospectus.

SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF BEHARI LAL ENGINEERING LIMITED

INTERPRETATION

I. In these regulations— "the Act" means the Companies Act, 2013, as amended from time to time, "the seal" means the common seal of the company. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company. DEFINITION OF PUBLIC COMPANY The Company is a Public Company within the meaning of Section 2(71) of the Companies Act 2013 and accordingly means a company which (a) is not a private company and (b) has a minimum paid-up share capital as may be prescribed Provided that a company which is a subsidiary of a company not being a private company shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates,

and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under,

the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

BORROWING POWERS

34. Subject to the provisions of the Act and these Articles, the Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital, free reserves. The Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of the Act and these Articles, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company.

ALTERATION OF CAPITAL

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid- up shares of any denomination;

(c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the

(c) assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(d) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(iii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The First Directors of the company are:

1. **SH. PARKASH CHAND GARG**
2. **SH. BACHAN LAL GARG**

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(iii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors

together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

APPOINTMENT AND REMUNERATION OF DIRECTORS

Subject to the provisions of the Act and these Articles, the Board of Directors, may from time to time, appoint one or more of the Directors to be Managing Directors or other Whole-Time Director(s) of the Company, for a term not exceeding five years at a time and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission shall be in accordance with the relevant provisions of the Act.

Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board.

Subject to the provisions of section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis.

Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India

If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

The director so appointed shall hold office only up to the date upto which the director in whose place he is appointed would have held office if it had not been vacated.

POWERS OF BOARD

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the Memorandum and these Articles and to any regulations, not being inconsistent with the Memorandum and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The Authorized Share Capital of the Company is as mentioned in clause of the Memorandum of Association of the Company with power of the Board of Directors to sub- divide consolidate and increase and with power from time to time issue any shares of the original capital with and subject to any preferential qualified or special rights privilege or condition as may be thought fit and upon the sub-division of shares apportion the right to participate in profits in my manner as between the shares resulting from subdivision.

PROCEEDINGS OF THE BOARD

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

74. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial

officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

ACCOUNTS

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

87. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

OTHERS

88. To borrow from any state financial corporations, Banks, companies firms or other financial institutions any terms loan or other sums on such security and other charges as stipulated by the financial corporation or Banks with mortgage on all or any of property of the Company whether present or future or both. To borrow and lend from/to body corporate / s, but as per the provisions applicable from time to time, with necessary approvals required.

1. **As amended vide Special Resolution passed at the Extra Ordinary General Meeting of the Company held on 31.03.2015**

2. **As amended vide Special Resolution passed at the Extra Ordinary General Meeting of the Company held on 05.04.2022**

Name, Address, Description & Occupation of the Subscribers	Signatures of the Subscribers	Signature, Name, Address, Description and occupation of witness
1. Parkash Chand Garg S/o Late Sh. Behari Lal Garg G.T. Road, Mandi Gobingarh (BUSINESS)	Sd/-	Sajjan Kumar Bansal S/o Sh. Shiv Bhagwan Bansal M/s Sajjan & Associates Chartered Accountants Loha Bazar, Mandi Gobindgarh-147301 (Pb.
2. Bachan Chand Garg S/o Late Sh. Behari LalGarg G.T. Road, Mandi Gobingarh (BUSINESS)	Sd/-	

Palace: Mandi Gobindgarh
Dated: 22.05.1995

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. 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 and will also be available online at www.beharilalengineering.com/investors from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus 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 reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts

1. Offer Agreement dated September 26, 2025, entered amongst our Company, the Selling Shareholders and the BRLM.

2. Registrar Agreement dated September 26, 2025, entered amongst our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Registrar to the Offer, the Members of Syndicate, the Selling Shareholders, the Escrow Collection Bank(s), the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Offer.

6. Underwriting Agreement dated [●] between our Company, the Selling Shareholders and Underwriters.

7. Monitoring Agency Agreement dated [●] amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended.

2. Certificate of incorporation dated May 23, 1995, under the name of 'Behari Lal Ispat Private Limited'.

3. Fresh certificate of incorporation dated September 4, 2024, under the name of 'Behari Lal Engineering Private Limited' pursuant to change in name of our Company.

4. Fresh certificate of incorporation dated September 21, 2024, under the name of 'Behari Lal Engineering Limited' pursuant to conversion into public limited company.

5. Resolution of our Board dated September 8, 2025, in relation to the Offer and other related matters.

6. Resolution of our Shareholders dated September 23, 2025, authorising the Offer, the Fresh Issue and other related matters.

7. Resolution of our Board dated September 26, 2025, approving this Draft Red Herring Prospectus.

8. Copies of annual reports of our Company for the last 3 Fiscals.

9. Examination report on the Restated Financial Statements dated September 8, 2025, of our Statutory Auditors, included in this Draft Red Herring Prospectus.

10. The statement of special tax benefits on direct taxes and indirect taxes dated September 26, 2025 from our Statutory Auditors.

11. Consent letter dated 26, 2025, from our Statutory Auditors for inclusion of their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 8, 2025, on our Restated Financial Statements; and (ii) the statement of special tax benefits available to our Company and our Shareholders dated September 26, 2025, included in this Draft Red Herring Prospectus.

12. Consent letter dated September 26, 2025, from Chauhan Pradeep & Associates, practicing Company Secretary for inclusion of their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and an 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as practicing Company Secretary and in respect of the certificate dated September 26, 2025 issued by them in connection with certain untraceable corporate records of our Company and certain other details in relation to our Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

13. Consent dated September 26, 2025, from GATS India Ltd from the independent chartered engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent chartered engineer and in respect of the certificates dated September 26, 2025, issued by them in connection with the quotations obtained from vendors in relation to the Objects of the Offer and installed capacity and capacity utilisation of our facilities and certain other details of our Company.

14. Consents of our Directors, our Promoters, our Company Secretary and Compliance Officer, our Chief Financial Officer, the Bankers to our Company, the legal counsel appointed for the Offer, the BRLMs, the Registrar to the Offer, as referred to in their specific capacities.

15. Consent letters from the Selling Shareholders, for their participation in the Offer. For further details, see '*Other Regulatory and Statutory Disclosures*' on page 493.

16. Certificate on Key Performance Indicators issued by our Statutory Auditors, namely, M/s Ashwani & Associates, Chartered Accountants dated September 26, 2025.

17. Resolution of the Audit Committee dated September 26, 2025, approving the Key Performance Indicators.

18. Resolution of the Board of Directors of SG Tech Private Limited dated September 8, 2025 approving the participation of SG Tech Private Limited in the Offer for Sale;

19. Industry report titled *'Assessment of metal rolls and engineering castings industry'* dated September 2025, prepared and issued by CRISIL, appointed by us pursuant to a letter dated December 23, 2024, exclusively commissioned and paid us in connection with the Offer, which is available on the website of our Company at https://www.beharilalengineering.com/quality-assurance.php.

20. Consent letter dated September 24, 2025, from CRISIL to include contents or any part thereof from CRISIL Report titled *'Assessment of metal rolls and engineering castings industry'* dated September 2025, in this Draft Red Herring Prospectus.

21. Tripartite agreement between NSDL, our Company and Registrar to the Offer dated January 8, 2025.

22. Tripartite agreement between CDSL, our Company and Registrar to the Offer dated December 19, 2024.

23. Share Subscription and Shareholders' Agreement dated January 16, 2024, by and between our Company, our Shareholders, Homedge Infracon Private Limited and Anubhav Gupta Investments;

24. Termination Agreement to the Share Subscription and Shareholders Agreement dated July 1, 2025 by and between our Company, our Shareholders, Homedge Infracon Private Limited and Anubhav Gupta Investments;

25. Scheme of Amalgamation which was sanctioned by the National Company Law Tribunal, Chandigarh Bench through its order dated September 13, 2024, pursuant to which our Company amalgamated with Belco Special Steels Private Limited, and Parkash Multimetals Private Limited.

26. The fair market valuation report from Corporate Professionals Valuation Services Private Limited dated February 3, 2023 for determining fair market value of Belco Special Steels Private Limited, Parkash Multimetals Private Limited in relation to Scheme of Amalgamation.

27. National Company Law Tribunal, Chandigarh Bench through its order dated September 13, 2024 approving the Scheme of Amalgamation pursuant to which our Company amalgamated with Belco Special Steels Private Limited, and Parkash Multimetals Private Limited.

28. SEBI final observations letter no. [●] dated [●].

29. Due diligence certificate dated September 26, 2025, addressed to SEBI from the BRLM.

30. In principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Parkash Chand Garg
Chairman and Non-Executive Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajesh Garg
Vice Chairman and Non-Executive Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Dinesh Garg
Managing Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Lovlish Garg
Whole Time Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Manvinder Partap Singh
Executive Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Anil Dhawan
Independent Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Anil Kumar Bansal
Independent Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ayussh Mittaal
Independent Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Meena Rohilla
Independent Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajesh Kumar Sinha
Independent Director

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Aakarsh Goyal
Chief Financial Officer

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I, Rajesh Garg, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares of face value of ₹ 10 each offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

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Rajesh Garg
Promoter Selling Shareholder

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I, Lovlish Garg, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares of face value of ₹ 10 each offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

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Lovlish Garg
Promoter Selling Shareholder

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

I, Yogita Garg, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares of face value of ₹ 10 each offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER GROUP SELLING SHAREHOLDER

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Yogita Garg
Promoter Group Selling Shareholder

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

We, Dinesh Kumar Garg HUF, in our capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by us in this Draft Red Herring Prospectus about or specifically in relation to ourself as a Selling Shareholder and the portion of Equity Shares of face value of ₹ 10 each offered by me in the Offer for Sale are true and correct. We assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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For Dinesh Kumar Garg HUF
Promoter Group Selling Shareholder

Place: Mandi Gobindgarh
Date: September 26, 2025

DECLARATION

We, SG Tech Engineering Private Limited, in our capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by us in this Draft Red Herring Prospectus about or specifically in relation to ourself as a Selling Shareholder and the portion of Equity Shares of face value of ₹ 10 each offered by us in the Offer for Sale are true and correct. We assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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For SG Tech Engineering Private Limited
Investor Selling Shareholder

Place: Delhi
Date: September 26, 2025