KAY JAY FORGINGS LIMITED

Corporate Identity Number: U74899DL1983PLC029298

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi - 110064, India.	E-2, Focal Point, Ludhiana, Punjab - 141010, India.	Amit Verma, Company Secretary and Compliance Officer	**Telephone:** +91 161 4687000 **Email:** cs.ldh@kayjayforgings.com	www.kayjayforgings.com

OUR PROMOTERS: GOPAL KRISHAN KOTHARI AND AMIT KOTHARI

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE^	OFFER FOR SALE SIZE	TOTAL OFFER SIZE^	ELIGIBILITY AND RESERVATIONS
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,000.00 million	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 600.00 million	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,600.00 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****Error! Reference source not found.*" on page 365. For details in relation to share reservation among QIBs, NIBs RIBs, and Eligible Employees, see "***Offer Structure***" on page 381.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH OFFERED / AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH (IN ₹) [(1)]
Gopal Krishan Kothari	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 520.00 million	1.85
Amit Kothari	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million	2.04
Madhu Kothari	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million	15.99
G K Kothari & Sons	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 20.00 million	0.31

[(1)] *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to their certificate dated March* 30*, 2026.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹ 5 each. The Floor Price, Cap Price, and the Offer Price, as determined by our Company, in consultation with the Book Running Lead Manager to the Offer ("**BRLM**"), in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "***Basis for Offer Price***" on page 112 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares 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 offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of the Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 20.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the 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 the 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 the 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 only the statements specifically made or confirmed by such Selling Shareholders in the Draft Red Herring Prospectus solely to the extent of information specifically pertaining to them and/or 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 of the Selling Shareholder assumes no responsibility for any other statement in the Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholders or persons.

LISTING

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

BOOK RUNNING LEAD MANAGER			
NAME AND LOGO OF BOOK RUNNING LEAD MANAGER		**CONTACT PERSON**	**EMAIL AND TELEPHONE**
PL Capital PRABHUDAS LILLADHER ESTD 1944	**PL Capital Markets Private Limited**	Narendar Gamini / Ashwinikumar Chavan	**Email:** kayjayipo@plindia.com **Telephone:** +91 22 6632 2222
REGISTRAR TO THE OFFER			
NAME AND LOGO OF THE REGISTRAR		**CONTACT PERSON**	**EMAIL AND TELEPHONE**
	Bigshare Services Private Limited	Babu Rapheal C	**Email:** ipo@bigshareonline.com **Telephone:** +91 22 62638200

BID/ OFFER PROGRAMME					
ANCHOR INVESTOR BID/ OFFER PERIOD(1)	**[●]**	**BID/OFFER OPENS ON**(2)	**[●]**	**BID/OFFER CLOSES ON**(2)(3)^	**[●]**

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

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

(3) *UPI mandate end time and date shall be at 5:00 pm on the Bid/ Offer Closing Date.*

^ *Our Company, in consultation with the BRLM, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

IN THE NATURE OF DRAFT ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE DRAFT RED HERRING PROSPECTUS

Please scan this QR code to view the Draft Red Herring Prospectus and the Draft Abridged Prospectus	The following is a general summary of certain disclosures in the Draft Red Herring Prospectus and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the 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 the Draft Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively, the Company at www.kayjayforgings.com and the BRLM at www.plindia.com. References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated March 30, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Draft Red Herring Prospectus.

1. Summary of the primary business

(a) Business Overview - Products

We are a precision engineering integrated manufacturer of forged and machined components, primarily catering to original equipment manufacturers ("**OEMs**") in the automotive sector. According to the CARE Report, within the forged crankshaft component market segment, we are the largest supplier of crankshaft and crankshaft assemblies to OEMs in India for two-wheelers with an estimated domestic market share of ~36% in Fiscal 2025. During six-month period ended September 30, 2025, we have supplied a portfolio of 286 products with key products including crankshaft and crankshaft assemblies, lower bracket assemblies, lever kick-starter assemblies, gear-shift lever assemblies, propeller shafts, door hinges and steering yokes.

(b) Industries Served and Typical Customers

We serve domestic and international OEM and non-OEM customers in the automotive sector as well as select non-automotive industries such as farm equipment, mining equipment and consumables and durables. We cater to various marquee customers, including TVS Motor Company Limited, Honda Motorcycle and Scooter India Private Limited and Mahindra and Mahindra Limited

(c) Segment Reporting and Revenue Contribution

Our Company is engaged in the business of manufacturing of forged and machined components. There are no separate reportable segments. For further details, please see "***Restated Financial Information – Note 45 – Segment reporting***" on page 311.

(d) Key Geographies

We serve customers across India and overseas in countries including Hungary, France, Germany, Sweden and USA.

(e) Revenue Concentration Among Top 5 Customers

The top five customers contributed ₹3,989.30 million, ₹6,256.96 million, ₹5,587.30 million and ₹5,057.15 million to our revenue for the six-month period ended September 30, 2025, and for the Fiscal 2025, 2024 and 2023, representing approximately 85.60%, 83.37%, 83.11% and 83.91% of our revenue from sale of products, respectively.

(f) Key Facilities

As on the date of the Draft Red Herring Prospectus, we operate six manufacturing facilities, with four being in Ludhiana, Punjab and two in Hosur, Tamil Nadu. For further details, see "***Our Business – Material Properties***" on page 213.

(g) Business Strengths and Strategies

<u>Strengths</u>

(1) Long-standing relationships with customers and suppliers with a track record of repeat orders

(2) Modern manufacturing facilities with in-house design and a sustained focus on enhancing our capabilities

(3) Backward-integrated manufacturing operations enhancing quality and supply reliability

(4) Product portfolio tailored to customer requirements with the capability to expand product portfolio

(5) Consistent track record of financial performance and strong financial position

(6) Experienced Promoters, Directors, Key Managerial Personnel and Senior Management team and a skilled workforce

Strategies

(1) Capitalize on industry tailwinds through proposed expansion

(2) Foraying into lightweight aluminium forged and machined components

(3) Leverage our industry-leading capabilities by continuing to strengthen relationships with existing customers, diversifying our customer base and increasing penetration and wallet share with existing customers by entering new segments.

(4) Reduce our operating costs, improve operational efficiencies and deploy new technologies

(5) Expanding our global business footprint

(6) Driving sustainable performance through environmental, social and governance (ESG) practices

For further details, see "***Our Business***" beginning on page 186 of the Draft Red Herring Prospectus.

2. Summary of the Industry *(Source: CARE Report)*

The global automotive forging market stood at USD 45.1 billion in 2025 and is expected to reach USD 65.8 billion by 2030, growing at a CAGR of 7-9%. In India, the automotive forging industry is closely tied to the country's large two-wheeler, passenger vehicle and commercial vehicle markets. India is among the world's largest forging hubs, supported by cost competitiveness, a strong base of forging clusters (notably in Maharashtra, Tamil Nadu and Punjab) and established linkages with both domestic OEMs and global supply chains. The Indian automotive forging market was valued at USD 2.6 billion in FY25 and is projected to reach USD 4.1 billion by FY30, at a CAGR of 6-8%.

The global automotive machining market is primarily driven by machining centres, holding a dominant share of 38.8% in 2025, with a slight uptick to 38.9% by 2030. The automotive machining segment in India, a major sub-segment of the broader machining space, has grown from USD 3.4 billion in FY20 to USD 4.4 billion in FY25, at a CAGR of approximately 5.29%. With growing vehicle production, increased localisation of powertrain and drivetrain components and strong growth in EV and hybrid platforms, the market is expected to expand at a faster clip projected to reach USD 6.1 billion by FY30, at a CAGR of 6–8%.

For further details, see "***Industry Overview***" beginning on page 129.

3. Promoters

The Promoters of our Company are Gopal Krishan Kothari and Amit Kothari.

Gopal Krishan Kothari

Gopal Krishan Kothari is one of our Promoters and is also the Chairman and Managing Director of our Company. He holds a bachelor's degree in commerce from the University of Rajasthan. He has over 40 years of experience in the automotive sector with our Company.

Amit Kothari

Amit Kothari is one of the Promoters and is also the Executive Director of our Company. He holds a postgraduate diploma in business administration with commendation from University of Wales, Cardiff. He has over 29 years of experience in the automotive sector with our Company.

For further details, see "***Promoters and Promoter Group***" beginning on page 240.

4. Objects of the Offer

The Offer comprises a Fresh Issue of [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,000.00 million by our Company, and an Offer for Sale of up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 600.00 million by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale, and such proceeds will be received by the selling shareholders after deduction of their respective portion of the Offer-related expenses and the relevant taxes thereon.

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

(*₹ in million*)

Particulars	Amount proposed to be funded from the Net Proceeds [(1)]
Funding the capital expenditure requirements of our Company towards: (a) Setting up of the Proposed Forging Facility (b) Setting up of the Proposed Machining Facility (c) Setting up of the Proposed Solar Plant	1,188.03
Repayment/ pre-payment, in full or in part, of certain borrowings availed by our Company	905.11
General corporate purposes [(2)]	[●]
Net Proceeds	[●]

[(1)] *Our Company, in consultation with the BRLM, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

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

For further details, see "***Objects of the Offer***" on page 91.

5. Pre-Offer and Post-Offer shareholding of our Promoters, members of the Promoter Group and top 10 Shareholders

The aggregate shareholding of each of the Promoters, members of our Promoter Group and top 10 Shareholders (other than our Promoters and members of our Promoter Group) is set out below:

S. No.	Pre-Offer shareholding at the date of the Draft Red Herring Prospectus			Post-Offer shareholding as at Allotment[(1)]^			
				At the lower end of the price band (₹[●])[$]		At the upper end of the price band (₹[●])[$]	
	Name of the Shareholders	Number of Equity Shares of face value of ₹ 5 each	Percentage of shareholding (%)	Number of Equity Shares of face value of ₹ 5 each	Percentage of shareholding (%)	Number of Equity Shares of face value of ₹5 each	Percentage of shareholding (%)
Promoters							
1.	Gopal Krishan Kothari*	40,011,520	87.03	[●]	[●]	[●]	[●]
2.	Amit Kothari*	2,568,960	5.59	[●]	[●]	[●]	[●]
Sub-Total (A)		**42,580,480**	**92.62**	[●]	[●]	[●]	[●]
Members of our Promoter Group							
1.	Madhu Kothari*	2,210,560	4.81	[●]	[●]	[●]	[●]
2.	G K Kothari & Sons*	1,056,000	2.30	[●]	[●]	[●]	[●]
3.	Amit Kothari HUF	64,000	0.14	[●]	[●]	[●]	[●]
4.	Mannat Kothari	320	Negligible	[●]	[●]	[●]	[●]
Sub-Total (B)		**3,330,880**	**7.25**	[●]	[●]	[●]	[●]
Additional Top 10 Shareholders							
1.	Naveen Behl	64,000	0.14	[●]	[●]	[●]	[●]
Sub-Total (C)		**64,000**	**0.14**	[●]	[●]	[●]	[●]
Other Public Shareholders							
1.	Nil	Nil	Nil	[●]	[●]	[●]	[●]
Sub-Total (D)		**Nil**	**Nil**	[●]	[●]	[●]	[●]
Total (A+B+C+D)		**45,975,360**	**100.00**	[●]	[●]	[●]	[●]

[$] *To be filled in at the Prospectus stage, upon finalisation of Price Band*

^ *The post-Offer shareholding shall be updated in the Abridged Prospectus and Prospectus.*

* *Also, a Selling Shareholder*

[(1)] *Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Further, assuming that there is* *no transfer of Equity Shares by the Shareholders between the date of the Price Band advertisement and Allotment, and if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus.*

For further details, see "***Capital Structure***" beginning on page 77.

6. Summary of Restated Financial Information

The following details are derived from the Restated Financial Information:

(in ₹ million, unless otherwise stated)

Particulars	As at and for six month period ended September 30, 2025	As at and for Financial Year ended March 31, 2025	As at and for Financial Year ended March 31, 2024	As at and for Financial Year ended March 31, 2023
Equity share capital	229.88	14.37	14.37	14.37
Net worth(1)	1,842.20	1,628.71	1,341.72	1,104.44
Revenue from operations(2)	4,660.63	7,504.64	6,723.16	6,026.92
EBITDA(3)	445.61	714.97	647.10	500.85
Profit after tax(4)	213.57	290.15	241.26	138.13
Return on Equity (%)(5)	11.59*	17.81	17.98	12.51
Basic Earnings per Equity Share(6)	4.65	6.31	5.25	3.00
Diluted earnings per Equity Share (in ₹)(7)	4.65	6.31	5.25	3.00
Net Asset Value per Equity Share (in ₹)(8)	40.07	35.43	29.18	24.02
Total borrowings(9)	838.05	1,018.83	1,113.72	1,423.15
Net cash generated from operating activities	179.60	586.58	528.72	780.53
Net cash generated from / (used in) investing activities	115.83	478.64	224.61	676.58
Net cash generated from / (used in) financing activities	46.98	280.73	247.31	59.94

**Not annualized*

Notes:

(1) Net Worth means the aggregate value of the paid -up share capital and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account after deducting the aggregate value of the accumulating losses, deferred expenditure and miscellaneous expenditure not written off but does not include reserve created out of revaluation of assets, write back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.

(2) Revenue from Operations means the revenue from operations for the period / year.

(3) EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.

(4) Profit after Tax means the profit after tax for the year/ period.

(5) Return on Equity is calculated as restated profit for the period / year divided by average total equity.

(6) Basic earnings per share is calculated by dividing the Restated Profit for the year by the number of Equity Shares outstanding at the year-end.

(7) Diluted earnings per share is calculated by dividing the Restated Profit for the year by the number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares outstanding during the year, if any.

(8) Net Asset value per equity share is defined as net worth divided by outstanding number of equity shares.

(9) Total borrowings include non current borrowings and current borrowings as per restated statement of assets and liabilities.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Basis for Offer Price***" and "***Restated Financial Information***" beginning on pages 328, 112 and 246, respectively.

7. Summary of Key Performance Indicators

Details of our KPIs as at and for the six month period ended September 30, 2025 and for the Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023 are set out below:

Particulars	Unit	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPIs*					
Revenue from operations (1)	₹ in million	4,660.63	7,504.64	6,723.16	6,026.92
Gross profit (2)	₹ in million	2,135.92	3,540.31	3,075.25	2,549.16
Gross margin (3)	%	45.83	47.18	45.74	42.30
EBITDA (4)	₹ in million	445.61	714.97	647.10	500.85
EBITDA margin (5)	%	9.56	9.53	9.62	8.31
PAT (6)	₹ in million	213.57	290.15	241.26	138.13
PAT margin (7)	%	4.58	3.87	3.59	2.29
ROE (8)	%	11.59**	17.81	17.98	12.51
ROCE (9)	%	12.67**	18.98	17.80	12.23

Particulars	Unit	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Debt/Total Equity (10)	In times	0.45	0.63	0.83	1.29
Inventory Days (11)	In days	73	89	82	75
Trade Receivable Days (12)	In days	25	24	24	29
Trade Payable Days (13)	In days	49	55	51	48
Cash Conversion Cycle Days (14)	In days	50	59	56	56
Average Net Fixed Asset Turnover Ratio (15)	In times	2.60	4.41	4.71	4.88
Operational KPIs*					
Installed Capacity (MTPA) (16)	In numbers	21,050	40,100	40,100	36,900
Revenue from Automotive Industry (17)	₹ in million	4,371.80	7,017.97	6,320.82	5,662.22
Percentage of revenue from Automotive Industry (18)	%	98.66	98.91	99.54	99.84
Revenue from Non-Automotive Industry (19)	₹ in million	59.38	77.14	29.35	9.22
Percentage of revenue from Non-Automotive Industry (20)	%	1.34	1.09	0.46	0.16
Domestic Revenue (21)	₹ in million	3,994.99	6,711.50	5,879.49	5,320.89
Percentage of revenues from domestic sales (22)	%	90.16	94.59	92.59	93.82
Export Revenue (23)	₹ in million	436.19	383.60	470.69	350.56
Percentage of revenue from exports (24)	%	9.84	5.41	7.41	6.18

**Certified by Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*
***Not annualized*

For definitions of the above KPIs, see "***Definitions and Abbreviations – Definitions of Key Performance Indicators***" on page 10. Further, for comparison with the listed peer(s) and more detailed disclosure on such KPIs, see "***Basis for Offer Price - Comparison of our KPIs with listed industry peers***" on page 114.

8. Risk Factors

The following are the top 10 internal risk factors as disclosed in the DRHP:

(1) Our business is dependent on certain key customers, with our top 10 customers contributing 91.51%, 90.00%, 88.82% and 89.32% of our revenue from operations for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The loss of, or a significant reduction in orders from, any of these customers could materially and adversely affect our business, financial condition, results of operations and cash flows.

(2) We do not have any long-term agreements with our customers to purchase or place orders with us. If our customers choose not to source their requirements from us or reduce purchase volumes, there may be a material adverse effect on our business, results of operations, financial condition and cash flows.

(3) A significant portion of our raw material procurement is carried out without long-term binding agreements, which exposes us to uncertainties regarding continuous supply and timely delivery. Any interruption in the availability of raw materials or any disruption, breakdown or shutdown of our suppliers or any instability of our supplier base could adversely impact our operations.

(4) Our business is heavily dependent on the performance of the automotive sector, which contributed 93.80%, 93.52%, 94.02% and 93.95% of our revenue from operations in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any cyclical downturn or regulatory shift in this industry could disproportionately impact our sales volume.

(5) Our inability to improve operational efficiency, reduce costs, or effectively pass on increases in raw material prices to our customers could adversely affect our business, financial condition, and results of operations.

(6) Our manufacturing operations are geographically concentrated in two regions, Ludhiana (Punjab) and Hosur (Tamil Nadu). Any region-specific disruptions, including social unrest, political instability, or natural disasters in these two regions, could critically interrupt our entire production cycle.

(7) Our business performance and profitability rely heavily on the availability and cost of steel, our primary raw material. The cost of raw materials and components consumed by us represented 52.61%, 53.68%, 56.44% and 58.24% of our total revenue from operations during the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. Any volatility in steel prices, shortages arising from external factors, or

disruptions in the timely and sufficient supply of raw materials could adversely affect our operations. Such developments may negatively impact our revenues, margins, financial condition and cash flows.

(8) We are dependent on our OEM customers for a significant portion of revenues from sale of products for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023. If one or more such customers choose not to source their requirements from us or terminate their purchase orders, our business, financial condition, results of operations and cash flows may be adversely affected.

(9) Our business is capital intensive and we have incurred significant capital expenditure in the past and may require additional capital and financing in the future. If we are unable to generate adequate returns on our capital expenditure, or if our expanded capacities are under-utilized or if we are unable to obtain the required additional capital and financing, our business, growth prospects, results of operations, financial condition and cash flows could be materially and adversely affected.

(10) We derive a substantial portion of our revenue from the sale of crankshafts and crankshaft assemblies, and any loss of sales due to a reduction in demand for crankshafts, particularly due to the shift towards EVs, could structurally impact our long-term revenue growth.

For further details of the risks applicable to us, see "***Risk Factors***" beginning on page 20. Investors are advised to read the risk factors carefully before making an investment decision in the Offer.

9. Details of weighted average cost of acquisition of equity shares of our Promoters and Selling Shareholders

Details of the weighted average price at which equity shares were acquired by our Promoters and Selling Shareholders in the one year and three years preceding the date of this Draft Red Herring Prospectus:

Name of the Shareholder	Number of Equity Shares acquired in the one year preceding the date hereof	Weighted average price of acquisition per equity share (in ₹)(1)	Number of Equity Shares acquired in the three year preceding the date hereof	Weighted average price of acquisition per equity share (in ₹)(1)
Promoters				
Gopal Krishan Kothari(2)	37,650,800	Nil	37,650,800	Nil
Amit Kothari(2)	2,408,400	Nil	2,408,400	Nil
Selling Shareholders				
Madhu Kothari	2,074,300	Nil	2,074,300	Nil
G K Kothari & Sons	990,000	Nil	990,000	Nil

(1) *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

(2) *Also the Promoter Selling Shareholders.*

For details of shareholding of our Promoters, see "***Capital Structure – Details of build-up, contribution and lock-in of Promoters' shareholding and lock-in of other Equity Shares***" on page 81.

10. Board of Directors and Key Managerial Personnel

The names and designations of members of the Board of Directors and Key Managerial Personnel are set forth below:

S. No.	Name	Designation
Board of Directors		
1.	Gopal Krishan Kothari	Chairman and Managing Director
2.	Naveen Behl	Whole-time Director
3.	Amit Kothari	Executive Director
4.	Jatender Kumar Mehta	Independent Director
5.	Pankaj Periwal	Independent Director
6.	Mohina	Independent Director
Key Managerial Personnel*		
1.	Ashok Bansal	Chief Financial Officer
2.	Amit Verma	Company Secretary and Compliance Officer

**In addition to Gopal Krishan Kothari, our Chairman and Managing Director and Naveen Behl, our Whole-time Director.*

For further details, see "***Our Management***" beginning on page 224.

11. Auditor Qualifications

There are no qualifications, reservations and adverse remarks by our Statutory Auditors in our Restated Financial information.

12. **Summary table of outstanding litigations**

A summary of outstanding litigation proceedings involving our Company, Promoters, Directors, Group Company, Key Managerial Personnel and Senior Management, as applicable, as disclosed in the section titled "***Outstanding Litigation and Material Developments***" on page 356 in terms of the SEBI ICDR Regulations and the Materiality Policy as on the date of the Draft Red Herring Prospectus is provided below:

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million)[(1)]
Company						
By the Company	1	N.A	N.A.	N.A.	Nil	2.47
Against the Company	Nil	4	1	N.A.	1	10.87
Promoters						
By the Promoters	Nil	N.A.	N.A.	N.A.	Nil	N.A
Against the Promoters	1	1	1	Nil	Nil	0.14
Directors[(2)]						
By the Directors	Nil	N.A.	N.A.	N.A.	Nil	-
Against the Directors	2	1	Nil	N.A.	Nil	9.78
Key Managerial Personnel and Senior Management[(2)]						
By the Key Managerial Personnel and Senior Management	Nil	N.A.	Nil	N.A.	N.A.	Nil
Against the Key Managerial Personnel and Senior Management	1	N.A.	1	N.A.	N.A.	-

(1) To the extent quantifiable.
(2) Other than our Promoters.

For further details of the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" on page 356 and "***Risk Factors – Our Company, Promoter and certain Directors are involved in certain regulatory and criminal proceedings. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations, financial condition and cash flows***" on page 32.

No person outside India is eligible to Bid for Equity Shares 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.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act and shall not be offered or sold within the United States or any state securities laws in 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 are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur. The Equity Shares 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.

(Please scan this code to view the DRHP and the Draft Abridged Prospectus)

DRAFT RED HERRING PROSPECTUS
Dated March 30, 2026
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

KAY JAY FORGINGS LIMITED

Corporate Identity Number: U74899DL1983PLC029298

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi - 110064, India.	E-2, Focal Point, Ludhiana, Punjab - 141010, India.	Amit Verma, Company Secretary and Compliance Officer	**Telephone:** +91 161 4687000 **Email:** cs.ldh@kayjayforgings.com	www.kayjayforgings.com

OUR PROMOTERS: GOPAL KRISHAN KOTHARI AND AMIT KOTHARI

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE^	OFFER FOR SALE SIZE	TOTAL OFFER SIZE^	ELIGIBILITY AND RESERVATIONS
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,000.00 million	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 600.00 million	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,600.00 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 365. For details in relation to share reservation among QIBs, NIBs, RIBs, and Eligible Employees, see “***Offer Structure***” on page 381.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH (IN ₹) [(1)]
Gopal Krishan Kothari	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 520.00 million	1.85
Amit Kothari	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million	2.04
Madhu Kothari	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million	15.99
G K Kothari & Sons	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 20.00 million	0.31

[(1)] *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to their certificate dated March 30, 2026.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹ 5 each. The Floor Price, Cap Price, and the Offer Price, as determined by our Company, in consultation with the Book Running Lead Manager to the Offer (“**BRLM**”), in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in “***Basis for Offer Price***” on page 112 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares 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 offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does the 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 20.

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 only the statements specifically made or confirmed by such Selling Shareholders in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to them and/or 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 of the Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company’s business or any other Selling Shareholders or persons.

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

BOOK RUNNING LEAD MANAGER			
NAME AND LOGO OF BOOK RUNNING LEAD MANAGER		CONTACT PERSON	EMAIL AND TELEPHONE
	PL Capital Markets Private Limited	Narendra Gamini / Ashwinikumar Chavan	**Email:** kayjayipo@plindia.com **Telephone:** +91 22 6632 2222

REGISTRAR TO THE OFFER			
NAME AND LOGO OF THE REGISTRAR		CONTACT PERSON	EMAIL AND TELEPHONE
	Bigshare Services Private Limited	Babu Rapheal C	**Email:** ipo@bigshareonline.com **Telephone:** +91 22 62638200

BID/ OFFER PROGRAMME					
ANCHOR INVESTOR BID/ OFFER PERIOD(1)	[●]	BID/OFFER OPENS ON(2)	[●]	BID/OFFER CLOSES ON(2)(3)^	[●]

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

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

(3) *UPI mandate end time and date shall be at 5:00 pm on the Bid/ Offer Closing Date.*

^ *Our Company, in consultation with the BRLM, may consider an issue of specified securities, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

(*Please scan this code to view the DRHP and the Draft Abridged Prospectus*)

DRAFT RED HERRING PROSPECTUS
Dated March 30, 2026
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

KAY JAY FORGINGS LIMITED

Our Company was originally incorporated as 'Kay Jay Forgings Private Limited', a private limited company under the provisions of Companies Act, 1956, pursuant to a certificate of incorporation dated August 5, 1983, issued by the Registrar of Companies, Punjab, H.P, and Chandigarh at Jalandhar. Our Company changed its registered office from Ludhiana, Punjab to the Union Territory of Delhi pursuant to a certificate of registration of the order of the Company Law Board confirming the transfer of the registered office from one state to another, issued by the Additional Registrar of Companies, Delhi & Haryana on September 22, 1987. Subsequently, pursuant to a Board resolution dated November 18, 2024 and special resolution passed by our Shareholders on December 16, 2024, our Company was converted into a public limited company, consequent to which, the name of our Company was changed to 'Kay Jay Forgings Limited' and a fresh certificate of incorporation dated December 19, 2024 was issued to our Company by the Registrar of Companies, Central Processing Centre. For details in relation to changes in the registered office of our Company, see "***History and Certain Corporate Matters***" on page 220.

Registered Office: A-8, Maya Puri, Industrial Area Phase-1, New Delhi, Delhi - 110064, India
Corporate Office: E-2, Focal Point, Ludhiana, Punjab - 141010, India
Contact Person: Amit Verma, Company Secretary and Compliance Officer
Tel.: +91 161 4687000; **E-mail**: cs.ldh@kayjayforgings.com; **Website**: www.kayjayforgings.com
Corporate Identity Number: U74899DL1983PLC029298

OUR PROMOTERS: GOPAL KRISHAN KOTHARI AND AMIT KOTHARI

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF KAY JAY FORGINGS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ 3,600.00 MILLION (THE "OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 5 EACH BY OUR COMPANY AGGREGATING UPTO ₹ 3,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 5 EACH (THE "OFFERED SHARES") AGGREGATING UP TO ₹ 600.00 MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 520.00 MILLION BY GOPAL KRISHAN KOTHARI, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 30.00 MILLION BY AMIT KOTHARI (TOGETHER THE "PROMOTER SELLING SHAREHOLDERS"), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 30.00 MILLION BY MADHU KOTHARI, AND UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 20.00 MILLION BY G K KOTHARI & SONS (TOGETHER THE "PROMOTER GROUP SELLING SHAREHOLDERS" AND COLLECTIVELY WITH THE "PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS").

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION (CONSTITUTING [●] % OF OUR POST-OFFER EQUITY SHARE CAPITAL), FOR SUBSCRIPTIONS BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY OFFER A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE (EQUIVALENT OF ₹ [•] PER EQUITY SHARE) TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), SUBJECT TO NECESSARY APPROVALS AS MAY BE REQUIRED. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE 'NET OFFER'. THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

OUR COMPANY, IN CONSULTATION WITH THE BRLM, MAY CONSIDER AN ISSUE OF SPECIFIED SECURITIES, AS MAY BE PERMITTED UNDER THE APPLICABLE LAW, AGGREGATING UP TO ₹400.00 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLM. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. OUR COMPANY SHALL REPORT ANY PRE-IPO PLACEMENT TO THE STOCK EXCHANGES, WITHIN 24 HOURS OF SUCH PRE-IPO PLACEMENT (IN PART OR IN ENTIRETY) AND AS MAY BE REQUIRED UNDER APPLICABLE LAW. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RHP AND PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE OFFER PRICE, THE PRICE BAND, EMPLOYEE DISCOUNT, IF ANY, AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE, IN ALL EDITIONS OF THE [●], A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER AND ALL EDITIONS OF [●], A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER (HINDI ALSO BEING THE REGIONAL LANGUAGE OF DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), 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 shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLM, 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 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 respective websites of the BRLM and at the terminals of the Syndicate Members, the Self Certified Syndicate Banks ("**SCSBs**"), and by intimation to Designated Intermediaries and Sponsor Bank(s), as applicable.

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 in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein, in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Net 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 BRLM, may allocate up to 60% of the Net QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (i) above may be allocated to domestic Mutual Funds, 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 shall be added to the remaining QIB 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 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 Net 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 Net 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 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 386.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹ 5 each. The Floor Price, Cap Price, and the Offer Price, as determined by our Company, in consultation with the Book Running Lead Manager to the Offer (**"BRLM"**), in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in **"*Basis for Offer Price*"** on page 112 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares 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 this 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 this 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 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 20.

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 only the statements specifically made or confirmed by such Selling Shareholders in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to them and/or 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 of the Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company or our Company's business or any other Selling Shareholders or persons.
LISTING
The Equity Shares 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 pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 433.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
PL Capital Markets Private Limited **Address**: 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai, Maharashtra - 400018, India. **Tel.:** +91 22 6632 2222 **E-mail:** kayjayipo@plindia.com **Website:** www.plindia.com **Investor grievance e-mail:** grievance-mbd@plindia.com **Contact Person:** Narendra Gamini / Ashwinikumar Chavan **SEBI Registration Number:** INM000011237	**Bigshare Services Private Limited** **Address**: Office No. S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, Andheri East, Mumbai, Maharashtra – 400093, India. **Tel:** +91 22 62638200 **E-mail:** ipo@bigshareonline.com **Website:** https://www.bigshareonline.com **Investor grievance e-mail:** investor@bigshareonline.com **Contact person:** Babu Rapheal C **SEBI Registration Number:** INR000001385

BID/OFFER PROGRAMME					
ANCHOR INVESTOR BID/ OFFER PERIOD	[●]*	BID/ OFFER OPENS ON	[●]	BID/ OFFER CLOSES ON	[●]**^

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

** *Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one 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 the 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 otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification shall be deemed to include all amendments, supplements, re-enactments and modifications thereto, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

*Notwithstanding the foregoing, the terms used in "**Objects of the Offer**", "**Basis for Offer Price**", "**Statement of Special Tax Benefits**", "**Industry Overview**", "**Key Industry Regulations and Policies**", "**History and Certain Corporate Matters**", "**Restated Financial Information**", "**Financial Indebtedness**", "**Outstanding Litigation and Other Material Developments**" "**Other Regulatory and Statutory Disclosures**", and "**Main Provisions of Articles of Association**" on pages 91, 112, 123, 129, 214, 220, 246, 325, 356, 364, and 410, respectively, shall have the respective meanings ascribed to them in the relevant sections.*

Conventional or General Terms

Term(s)	Description
"Our Company" or "the Company" or "the Issuer"	Kay Jay Forgings Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi – 110064, India and Corporate Office at E-2, Focal Point, Ludhiana, Punjab – 141010, India.
"We" or "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company.

Company Related Terms

Term(s)	Description
"Articles of Association" or "Articles" or "AoA"	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board of Directors, constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations as disclosed in "***Our Management – Committees of the Board – Audit Committee***" on page 230.
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company namely, M/s. Goyal Sanjay & Associates, Chartered Accountants.
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof. For details, see "***Our Management – Board of Directors***" on page 224.
CARE	CARE Analytics and Advisory Private Limited (CareEdge Research)
CARE Report	Report titled "*Industry Research Report for Precision Forged and Machined Components in the Automotive Industry*" dated March 25, 2026 by CARE, appointed by our Company pursuant to an engagement letter dated May 12, 2025 commissioned and paid for by our Company in connection with Offer.
Chairman and Managing Director	The chairman and managing director of our Company namely, Gopal Krishan Kothari. For further details, see "***Our Management – Board of Directors***" on page 224.
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company namely, Ashok Bansal. For further details, see "***Our Management – Key Managerial Personnel and Senior Management***" on page 238.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Amit Verma. For further details, see "***Our Management – Key Managerial Personnel and Senior Management***" on page 238.
Corporate Office	The corporate office of our Company situated at E-2, Focal Point, Ludhiana, Punjab – 141010, India.
"Corporate Social Responsibility Committee" / "CSR Committee"	The corporate social responsibility committee of the Board of Directors constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in "***Our Management - Committees of our Board – Corporate Social Responsibility Committee***" on page 235.
Director(s)	The director(s) on our Board, as appointed from time to time. For further details, see "***Our Management***" on page 224.
Equity Shares	The equity shares of our Company of face value of ₹ 5 each.
Executive Director(s)	The executive directors on the Board of Directors. For details, see "***Our Management – Board of Directors***" on page 224.
Facility I	Our manufacturing facility located at C-3 & C- 4, Focal Point, Ludhiana, Punjab - 141010, India.
Facility II	Our manufacturing facility located at SF/494/2, TVS-Thally Road Kothagondapalli Mathigiri, Hosur, Dist. KrishnagiriTamil Nadu - 635109, India.
Facility III	Our manufacturing facility located at E-2, D-1, D-12, Focal Point, Ludhiana, Punjab - 141010, India.
Facility IV	Our manufacturing facility located at C-20, Focal Point, Ludhiana, Punjab - 141010, India
Facility V	Our manufacturing facility located at SF no. 339/2, 344/2, Kelamangalam Road, Jonabanda Village Onnalvadi Post, Maithigiri Hosur, District Krishnagiri, Tamil Nadu – 635109, India.
Facility VI	Our manufacturing facility located at C-256 & C-257, Focal Point, Ludhiana, Punjab - 141010, India.
Group Company	The group company of our Company in accordance with the SEBI ICDR Regulations and the Materiality Policy of our Company. For details see "***Our Group Company***" on page 243.

Term(s)	Description
Hosur Facilities	Collectively, Facility II and Facility V of our Company, both situated at Hosur, Tamil Nadu, India and as further described in "***Our Business — Manufacturing Facilities***" on page 205.
"Independent Chartered Engineer"	Deepankar Sharma, the independent chartered engineer appointed by our Company in connection with the Offer.
Independent Director(s)	The independent directors of our Company namely, Pankaj Periwal, Mohina and Jatender Kumar Mehta as disclosed in "***Our Management – Board of Directors***" on page 224.
IPO Committee	The IPO committee of our Board constituted vide resolution of the Board dated April 29, 2025.
"Key Managerial Personnel" or "KMP"	The key managerial personnel of our Company in terms of 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 238.
Materiality Policy	The materiality policy of our Company adopted pursuant to a resolution of our Board dated March 5, 2026 for the (a) identification of companies to be disclosed as Group Companies in the Offer Documents; (b) identification and disclosure of legal proceedings involving the Company, its Promoters and Directors ("**Relevant Parties**"), Key Managerial Personnel, Senior Management and Group Company, including material litigation involving Relevant Parties (excluding disciplinary actions against the Promoters, criminal proceedings, statutory/regulatory actions and taxation matters); and (c) identification of material creditors of the Company, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. For further details see, "***Our Group Company***" and "***Outstanding Litigation and Other Material Developments***" on pages 243 and 356, respectively.
"Memorandum of Association" or "Memorandum" or "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 Board of Directors, constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in "***Our Management - Committees of our Board – Nomination and Remuneration Committee***" on page 233.
Non-Executive Directors	The non-executive directors on the Board of Directors. For further details, see "***Our Management – Board of Directors***" on page 224.
Project Report	The report titled "Project Report for Proposed Manufacturing Facilities of Kay Jay Forgings Limited and Solar Plant for the Purpose of Proposed IPO" dated March 30, 2026 prepared by RBSA Advisors LLP, in connection with the proposed manufacturing facilities at Ludhiana, Punjab and proposed Solar Plant located at Buttar Bakhua, Punjab.
Promoters	The promoters of our Company namely, Gopal Krishan Kothari and Amit Kothari. For details see "***Promoters and Promoter Group – Our Promoters***" on page 240.
Promoter Group	The 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 "***Promoters and Promoter Group – Promoter Group***" on page 242.
Promoter Selling Shareholders	The promoter selling shareholders namely, Gopal Krishan Kothari and Amit Kothari
Promoter Group Selling Shareholders	The promoter group selling shareholders namely, Madhu Kothari and G K Kothari & Sons
Proposed Forging Facility	Our proposed facility for manufacturing forged components, which is intended to be set up at Plot No. C-18, Focal Point, Phase-1, Ludhiana, Punjab - 141010, India.
Proposed Machining Facility	Our proposed facility for manufacturing machined components and an in-house tool room, which is intended to be set up at Plot No. C-2, Focal Point, Phase-1, Ludhiana, Punjab - 141010, India
Proposed Solar Plant	Our proposed solar plant, which is intended to be set up on land situated at Village Buttar Bakhua, Tehsil Gidderbaha, District Sri Mukatsar Sahib, Punjab, India.
Registered Office	The registered office of our Company situated at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi - 110064, India
"Registrar of Companies" or "RoC"	Registrar of Companies, National Capital Territory of Delhi-I at South Delhi.
Restated Financial Information	The Restated Financial Information of our Company comprising the Restated Statement of Assets and Liabilities as at September 30, 2025, 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 Restated Statement of Changes in Equity for the six months ended September 30, 2025 and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023 and the Material Accounting Policies and other explanatory information of our Company, derived from audited special purpose interim financial statements as at and for the six month period ended September 30, 2025, audited financial statements as at and for the year ended March 31, 2025, and audited special purpose financial statements as at and for the year ended March 31, 2024 and March 31, 2023, each prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Scheme of Amalgamation I	Scheme of Amalgamation between Sheet Components Private Limited and our Company filed under section 391 and 394 and other relevant provisions of the Companies Act, 1956 before the Hon'ble High Court of Delhi, and approved pursuant to its order dated October 20, 2005. The appointed date of the Scheme of Amalgamation I was April 1, 2004.
Scheme of Amalgamation II	Scheme of Amalgamation between Canon Forgings and Allied Industries Private Limited and our Company, filed under section 233 of the Companies Act, 2013 read with Rule 25 of Companies (Compromise, Arrangements and Amalgamation) Rules, 2016 before the RoC and the Official Liquidator of Delhi for their suggestions, pursuant to its order dated November 26, 2019. The appointed date of the Scheme of Amalgamation II was April 1, 2018. For further details, see "***History and certain corporate***

Term(s)	Description
	matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, etc. in the last 10 years" on page 222.
Selling Shareholders	Collectively, the Promoter Selling Shareholders and Promoter Group Selling Shareholders.
"Senior Management Personnel" or "Senior Management" or "SMP"	Members of senior management of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations, as described in "***Our Management – Senior Management"*** on page 238.
Shareholders	The holders of the Equity Shares of our Company, from time to time.
Stakeholders Relationship Committee	The stakeholder's relationship committee of our Board of Directors constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in "***Our Management – Committees of the Board – Stakeholders' Relationship Committee***" on page 234.
Whole-time Director(s)	The whole-time director(s) on the Board of Directors. For further details, see "***Our Management***" on page 224.

Offer Related Terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard.
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" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale, in each case to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidder who has been or is to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom Equity Shares are Allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and this Draft Red Herring Prospectus, who has Bid for an amount of at least ₹ 100.00 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus. The Anchor Investor Allocation Price shall be decided by our Company in consultation with the BRLM on the Anchor Investor Bid/ Offer Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of this Draft Red Herring Prospectus.
"Anchor Investor Bid/Offer Date" or "Anchor Investor Bid/Offer Period"	The day, being one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from the Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which Equity Shares will be issued and Allotted to 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 BRLM.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two 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 BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor Portion shall be reserved in the following manner: i. 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and ii. 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. In case of any under-subscription in the Life Insurance Companies and Pension Funds category specified may be allocated to domestic Mutual Funds.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and to authorise an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request.
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 Investors.
ASBA Form	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 this Draft Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as disclosed in "***Offer Procedure***" on page 386.

Term	Description
Bid(s)	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by the Anchor Investors pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and this Draft Red Herring Prospectus and the relevant Bid cum Application Form. The term "**Bidding**" shall be construed accordingly.
Bid Amount	The highest value of the Bids as indicated in the Bid cum Application Form and in the case of RIIs and Eligible Employees Bidding under the Employee Reservation Portion, Bidding at the Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employees Bidding under the Employee Reservation Portion, and mentioned in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer. Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-Off Price and the Bid Amount shall be Cap Price, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 0.50 million (net of employee discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of employee discount, if any). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of employee discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of employee discount, if any).
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including an ASBA Form, and 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 ₹ 5 each and in multiples of [●] Equity Shares of face value of ₹ 5 each thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids, which shall be notified in all editions of the [●], a widely circulated English national daily newspaper and all editions of the [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation. Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLM and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the [●], a widely circulated English national daily newspaper and all editions of the [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLM and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations
Bid/Offer Period	Except in relation to 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 and in accordance with the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with SEBI ICDR Regulations. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, 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 10 Working Days.
"Bidder" or "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of this Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Offer, being PL Capital Markets Private Limited.
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism). The details of such Broker Centres,

Term	Description
	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), updated from time to time.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, and which shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Cash Escrow and Sponsor Banks Agreement	The Cash Escrow and Sponsor Banks Agreement to be entered into among our Company, the Selling Shareholders, the Syndicate Members, the Registrar to the Offer, the BRLM, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors transfer of funds to the Public Offer Account and where applicable remitting refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to a dematerialised account.
"Collecting Depository Participant" or "CDP"	A depository participant, as defined under the Depositories Act,1996, as amended and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI Master and other applicable Circulars, issued by SEBI as per the list available on the websites of the Stock Exchanges, as updated from time to time.
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the BRLM, which shall be any price within the Price Band. Only RIIs in the Retail Category and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable.
Designated Branches	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or any such other website as may be prescribed by the SEBI from time to time.
Designated CDP Locations	Such centres of the CDPs where ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with the 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) and updated from time to time.
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of Retail Individual Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus following which Equity Shares will be Allotted in the Offer.
Designated Intermediaries	Collectively, the members of the Syndicate, sub-Syndicate or agents, SCSBs (other than in relation to UPI Bidders using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect. Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by Retail Individual Bidders by authorising an SCSB with an application size of up to ₹ 0.50 million (not using the UPI Mechanism) 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, as the case may be, 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 RTAs.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to the RTAs. 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 Stock Exchange	[●]
Draft Abridged Prospectus	The memorandum dated March 30, 2026 containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard.
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated March 30, 2026, filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer and filed with SEBI, including any addenda or corrigenda thereto.
Eligible Employee(s)	Permanent employees, working in India or outside India (excluding such employees who are not eligible to invest in the Offer under applicable laws), of our Company; or a Director of our Company, whether whole-time or not, as on the date of the filing of the Red Herring Prospectus with the RoC and on date of submission of the Bid cum Application Form, but not including (i) Promoters; (ii) persons belonging to the Promoter Group; (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company; and (iv) Independent Directors. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of the Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of under-subscription

Term	Description
	in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of the Employee Discount).
Eligible FPIs	FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an Offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and this Draft Red Herring Prospectus constitutes an invitation to purchase the Equity Shares.
Eligible NRI(s)	NRI(s) that are eligible to participate in the Offer in terms of applicable law and from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom this Draft Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase the Equity Shares.
Employee Discount	Our Company may, in consultation with the BRLM, offer a discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.
Employee Reservation Portion	The portion of the Offer, being up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million, not exceeding 5% of the post-Offer paid-up Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis.
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The bank(s), which is a clearing member and registered with SEBI as a banker to an Offer under the Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994 and with whom the Escrow Account(s) in relation to the Offer for Bids by Anchor Investors, will be opened, in this case, being [●].
"First Bidder" or "Sole Bidder"	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and 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	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Fresh Issue	The fresh issue component of the Offer comprising an issuance by our Company of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) of face value of ₹ 5 each aggregating up to ₹ 3,000.00 million by our Company. For further details regarding Fresh Issue, see "***The Offer***" on page 61.
Fugitive Economic Offender	A fugitive economic offender as defined under 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 Stock Exchanges and the BRLM.
Gross Proceeds	The Offer Proceeds from the Fresh Issue, including the proceeds, if any, received pursuant to the Pre-IPO Placement.
Monitoring Agency	Monitoring agency appointed pursuant to the Monitoring Agency Agreement, namely [●].
Monitoring Agency Agreement	Monitoring Agency Agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus.
Mutual Fund(s)	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, as applicable.
Mutual Fund Portion	5% of the QIB Portion or [●] Equity Shares 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.
Net Offer	The Offer, less the Employee Reservation Portion.
Net Proceeds	The proceeds of the Fresh Issue less our Company's share of the Offer related expenses. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "***Objects of the Offer***" on page 91.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors.
"Non-Institutional Bidders" or "NIB"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, or the Eligible Employees Bidding in the Employee Reservation Portion who have Bid for Equity Shares 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 Net Offer or [●] Equity Shares, which will be made available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two- third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1.00 million provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be

Term	Description
	allocated to Bidders in the other sub- category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
Offer	Initial public offering of up to [●] Equity Shares of face value of ₹5 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹3,600.00 million comprising the Fresh Issue and the Offer for Sale. Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. A discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion. This Employee Discount (if any) will be decided by our Company, in consultation with the Book Running Lead Manager, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus. For further details, see "***The Offer***" on page 61.
Offer Agreement	The offer agreement dated March 30, 2026 executed between our Company, the Selling Shareholders and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to [●] Equity Shares of face value of ₹[●] each aggregating to ₹600.00 million by the Selling Shareholders in the Offer. For further details, see "***The Offer***" on page 61.
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except for the Anchor Investors), in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLM, in terms of the Red Herring Prospectus. The Offer Price will be determined by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus. A discount of up to [●] % on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to the Eligible Employees Bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company, in consultation with the BRLM.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For details in relation to use of the Offer Proceeds, see "***Objects of the Offer***" on page 91.
Offered Shares	The Equity Shares offered by the Selling Shareholders in the Offer by way of Offer for Sale. For further details, see "***The Offer***" on page 61.
Pre-IPO Placement	Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹ [●] per Equity Share (i.e., the Cap Price), including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLM and shall be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLM, shall finalise the Offer Price.
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment.

Term	Description
Prospectus	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, and containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	'No-lien' and 'non-interest-bearing' bank account(s) to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date.
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an Offer under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with which the Public Offer Account(s) shall be opened [●] for collection of Bid Amounts from Escrow Accounts and ASBA Accounts on the Designated Date, in this case being [●].
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer or not more than [●] Equity Shares of face value of ₹ 5 each which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price, as applicable.
"Qualified Institutional Buyer(s)" or "QIBs"	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"QIB Bidders"	QIBs who Bid in the Offer.
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which will 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 three Working Days before the Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to the Bidders.
Refund Bank(s)	The bank(s) which are clearing member(s) registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 2026, as amended with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of the SEBI ICDR Master Circular and the UPI Circulars.
Registrar Agreement	Registrar Agreement dated March 30, 2026 entered into among 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" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of in terms of the SEBI RTA Master Circular issued by SEBI and available on the websites of BSE and NSE.
"Registrar to the Offer" or "Registrar"	Bigshare Services Private Limited
"Retail Individual Bidders" or "RIBs" or "Retail Individual Investors" or "RIIs"	Bidders (including HUFs and Eligible NRIs) other than Eligible Employees Bidding in the Employee Reservation Portion, whose Bid Amount for Equity Shares in the Offer is not more than ₹ 0.20 million in any of the Bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Resident Indian	A person resident in India, as defined under FEMA.
Retail Portion	Portion of the Net Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to valid Bids being received at or above the Offer Price.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form, as applicable. QIBs Bidding in the QIB Portion and Non-Institutional Investors Bidding in the Non-Institutional Category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during Bid/Offer period and withdraw their Bids until Bid/Offer Closing Date.
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA (other than through the UPI Mechanism), 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 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 Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●].

Term	Description
Share Escrow Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders, and credit of such Equity Shares to the demat account of the Allottees in accordance with Basis of Allotment
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the ASBA 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)	[●] being the Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders and carry out any other responsibilities, in terms of the UPI Circulars.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate" or "members of the Syndicate"	Collectively, the BRLM and the Syndicate Members.
Syndicate Agreement	The Syndicate Agreement to be entered into among the members of the Syndicate, our Company, the Selling Shareholders, and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●]
Underwriters	[●]
Underwriting Agreement	The Underwriting Agreement to be entered into among our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date, but prior to filing the Prospectus with the RoC.
UPI	Unified payments interface, which is an instant payment mechanism developed by NPCI.
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Investors in the Retail Category, (ii) Eligible Employees, under the Employee Reservation Portion and (iii) Individuals applying as Non-Institutional Investors with an application size of up to ₹0.50 million in the Non- Institutional Category, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Collecting Registrar and Share Transfer Agents. Pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹0.50 million are required to use the UPI Mechanism and are required to 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 issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (to the extent such circular is not rescinded by the SEBI RTA Master Circular), SEBI RTA Master Circular (to the extend it pertains to UPI), SEBI ICDR Master Circular along with the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI ID	An ID created on Unified Payment Interface for single-window mobile payment system developed by the National Payments Corporation of India.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank(s) 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 bidding mechanism that may be used by an UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI, including the UPI Circulars.

Business, technical, industry and other related terms

Term	Description
2W	Two-wheeler
3W	Three-wheeler
4W	Four-wheeler
AAEC	Appreciable Adverse Effect on Competition
ABS	Anti-lock braking systems
ACC	Advanced Chemistry Cell
ACMA	Automotive Component Manufactures Association of India
ASM	Additional Surveillance Measure
ADAS	Advanced Driver-Assistance Systems
AMP	Automotive Mission Plan

Term	Description
APQP	Advanced Product Quality Planning
B2B	Business-to-Business
CAD	Computer Aided Design
CAE	Computer Aided Engineering
CAM	Computer Aided Manufacturing
CCC	Cash Conversion Cycle
CMM	Coordinate Measuring Machine
CMIE	Centre for Monitoring Indian Economy
CNC	Computer Numerical Control
CNG	Compressed Natural Gas
COGS	Cost of Goods Sold
CV	Commercial Vehicle
DFM	Design for Manufacturability
DPT	Dye Penetrant Testing
E2WS	Electric Two-Wheelers
EDM	Electrical Discharge Machine
EEPC	Engineering Export Promotion Council
EPCG	Export Promotion Capital Goods
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
EV	Electric Vehicle
FIEO	Federation of Indian Export Organisation
FAME	Faster Adoption and Manufacturing of (Strong) Hybrid and Electric Vehicles in India
GSM	Graded Surveillance Measures
GVA	Gross Value Added
IATF	International Automotive Task Force
ICE	Internal Combustion Engine
kWh	kilowatt-hour
LNG	Liquefied Natural Gas
MES	Manufacturing Execution Systems
MIG	Metal Inert Gas (Welding)
MOSPI	Ministry of Statistics and Programme Implementation
MPI	Magnetic Particle Inspection
MPT	Magnetic Particle Testing
MT	Metric Tonnes
“MT/A” “MTPA”	Metric Tons per annum
NATIS	NATRIP Implementation Society
NATRiP	National Automotive Testing and R&D Infrastructure Project
NDT	Non-Destructive Testing
OEE	Overall Equipment Efficiency
OEM	Original Equipment Manufacturer
ONDC	Open Network for Digital Commerce
ORR	Overall Rejection Rate
PFCE	Private Final Consumption Expenditure
PIB	Press Information Bureau
PLI	Production Linked Incentive
PPP	Purchasing Power Parity
PSIEC	Punjab Small Industries and Export Corporation Limited
PV	Passenger Vehicles
QCD	Quality, Cost-effectiveness, and Delivery performance
QSR	Quality Score Rating
RKFL	Ramkrishna Forgings Limited
SAE	Second Advance Estimates
SIAM	Society of Indian Automobile Manufacturers
SRM	Supplier Relationship Management
SUV	Sports Utility Vehicle
VMC	Vertical Machining Centre
YPO	Young Presidents’ Organisation

Key Performance Indicators

Term	Description
GAAP Measures	
Revenue from operations	Revenue from Operations means the revenue from operations for the period / year.
Gross profit	Gross profit is calculated as revenue from operations minus cost of materials consumed minus (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress.
Gross margin	Gross Margin is calculated as gross profit divided by revenue from operations
PAT	Profit for the Year provides information regarding the overall profitability of the business.
PAT margin	PAT Margin is an indicator of the overall profitability and financial performance of the business.

Term	Description
Non-GAAP Measures	
EBITDA	EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.
EBITDA margin	EBITDA Margin is calculated as EBITDA divided by revenue from operations.
ROE	Return on Equity is calculated as restated profit for the period / year divided by total equity.
ROCE	Return on Capital Employed is calculated as EBIT divided by Capital Employed. Capital employed is calculated as total equity plus total borrowings while EBIT is calculated as restated profit for the period / year plus total income tax expense plus finance costs.
Debt/Total Equity	Debt/ Total Equity is calculated as total debt (including current and non-current borrowings) divided by total equity.
Inventory Days	Inventory Days is calculated as Average Inventory divided COGS* 365; while COGS is calculated as cost of materials consumed + Purchase of stock in trade + changes in inventories of Finished Goods, Stock in trade and Work In Progress; for H1FY26 Inventory days is calculated as Average Inventory divided by COGS* 183.
Trade Receivable Days	Trade Receivable Days is calculated as Average Receivables/ Revenue from Operations *365; For H1FY26 Trade Receivable Days is calculated as Average Receivable divided by Revenue from Operation *183.
Trade Payable Days	Trade Payable Days is calculated as Average Payables / COGS * 365; For H1FY26 Trade Payable Days is calculated as Average Payable divided by COGS*183.
Cash Conversion Cycle Days	Cash conversion cycle is calculated Inventory Days plus Trade Receivable Days minus Trade Payable Days.
Average Net Fixed Asset Turnover Ratio	Average Net Fixed Assets Turnover Ratio is calculated as revenue from operations for the period / year divided by Average Net Fixed Assets (Property, Plant and Equipment)
Operational Parameters	
Installed Capacity (MTPA)	Installed capacity refers to the maximum production capacity of our manufacturing facilities as per the design and technical specifications of the plant and machinery, and as certified by our management/technical consultants, assuming operations under normal working conditions.
Revenue from Automotive Industry (17)	Revenues from automotive industry Auto revenue is revenue derived from sale of product to automotive industry.
Percentage of revenue from Automotive Industry (18)	Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.
Revenue from Non-Automotive Industry (19)	Non-Auto revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry
Percentage of revenue from Non-Automotive Industry (20)	Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.
Domestic Revenue (21)	Domestic revenue means revenue from sale of products from domestic sales.
Percentage of revenues from domestic sales (22)	Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.
Export Revenue (23)	Exports revenue means revenue from sale of products from export sales.
Percentage of revenue from exports (24)	Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.

Conventional Terms/Abbreviations

Term	Description
"₹", "Rs.", "Rupees" or "INR"	Indian Rupees, the official currency of the Republic of India.
Aadhaar	A 12-digit unique identity number issued by the Unique Identification Authority of India to residents of India.
AGM	Annual general meeting.
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
Air Rules	The Air (Prevention and Control of Pollution) Rules, 1982
"Alternative Investment Funds" or "AIFs"	Alternative investment funds as defined in and registered under the SEBI AIF Regulations.
AS or Accounting Standards	Accounting standards issued by the ICAI
A.Y.	Assessment Year
Banking Regulation Act	Banking Regulation Act, 1949, as amended
BSE	BSE Limited
CAGR	Compounded annual growth rate
"Calendar Year" or "CY"	A calendar year is a one-year period that begins on January 1 and ends on December 31, based on the commonly used Gregorian calendar.
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations.
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
CBDT	Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited.
CIN	Corporate identity number.
Civil Code or CPC	The Code of Civil Procedure, 1908

Term	Description
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder.
“Companies Act” or “Companies Act, 2013”	The Companies Act, 2013, read with the rules, regulations, clarifications, circulars, notifications, and amendments notified thereunder.
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time.
CSR	Corporate social responsibility.
Demat	Dematerialised
Depositories or Depository	NSDL and CDSL.
Depositories Act	Depositories Act, 1996, as amended.
DGFT	Directorate General of Foreign Trade
DIN	Director identification number.
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act.
DP ID	Depository Participant’s identity number.
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
EGM	Extraordinary general meeting.
ESIC	Employees State Insurance Corporation
ESOP	Employee stock option plan
EPS	Earnings per share.
FCNR	Foreign Currency Non-Resident
FDI	Foreign direct investment.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations notified thereunder, as amended.
“FEMA Non-debt Instruments Rules” or the “FEMA NDI Rules” or “FEMA Rules”	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending March 31 of that calendar year.
FIR	First Information Report
FPIs	Foreign portfolio investors as defined in and registered with SEBI under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors (as defined under the SEBI FVCI Regulations) registered with SEBI.
GAAP	Generally accepted accounting principles
Gazette	Official Gazette of India
GDP	Gross domestic product
“Government of India” or “Central Government” or “GoI”	The Government of India
GNDI	Gross National Disposable Income
GST	Goods and services tax
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Income Tax Act	Income-tax Act, 1961, as amended
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and referred to in the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
India	Republic of India
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
IPO	Initial public offer
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International Securities Identification Number
IST	Indian standard time
IT	Information technology
IT Act	The Income Tax Act, 1961, as amended
KYC	Know Your Customer
LLP	Limited Liability Partnership
MCA	Ministry of Corporate Affairs, Government of India
MSME	Micro, small and medium enterprises
N.A.	Not applicable
NACH	National Automated Clearing House
NNI	Net National Income
NH	National Highways
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
NAV	Net asset value
NEFT	National electronic fund transfer

Term	Description
NPCI	National Payments Corporation of India
"NR" or "Non-resident"	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI
NRI	A person resident outside India, who is a citizen of India
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 invest in the Offer
ODI	Offshore derivative instruments
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the Income Tax Act
PAT	Profit after tax
PAT Margin	Profit for the year divided by total income
RBI	The Reserve Bank of India
RBI ACT	The Reserve Bank of India Act, 1934, as amended
ROCE	Return on Capital Employed
ROE	Return on Equity
RoCE	Return on Capital Employed
RoNW	Return on Net Worth
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
R&D	Research & Development
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018, as amended
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SCORES	SEBI complaints redress system, a centralized web based complaints redressal system launched by SEBI
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Master Circular	SEBI master circular no. HO/49/14/14(2)2026-CFD/PoD2/1/4518/2026 dated February 9, 2026
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended
SEBI Intermediaries Regulations	Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 2026, as amended
SEBI RTA Master Circular	SEBI master circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations, as amended
SMS	Short message service
State Government	The Government of a State in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
"Systemically Important NBFCs" or "NBFC-SI"	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction and collection account number
Trade Marks Act	Trade Marks Act, 1999, as amended
TRQ	Tariff Rate Quota
U. S. Securities Act	United States Securities Act of 1933, as amended
"US$" or "USD" or "US Dollar"	United States Dollar, the official currency of the United States of America
"USA" or "U.S." or "US"	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States

Term	Description
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with SEBI under the erstwhile SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
“Year” or “calendar year”	Unless the context otherwise requires, shall mean the 12-month period ending December 31

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

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

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

Unless otherwise specified, all references to time in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to 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 calendar year, so all references to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from the Restated Financial Information. The Restated Financial Information of our Company comprising the Restated Statement of Assets and Liabilities for the six month period ended as at September 30, 2025, and the financial years ended 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 Restated Statement of Changes in Equity for the six month period ended September 30, 2025 and the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023 and the Material Accounting Policies and other explanatory information of our Company prepared in accordance with Ind AS and as per requirement of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which the prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which is restated as per the SEBI ICDR Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Prospective investors should review the accounting policies applied in the preparation of the Restated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. For further details of the impact of the IFRS or US GAAP, see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition***." on page 57.

All figures, including financial information, in decimals (including percentages) have been rounded off to two decimals. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain 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 such discrepancies are due to rounding off.

All figures in diagrams and charts, including those relating to financial information, operational metrics and key performance indicators, have been rounded to the nearest decimal place, whole number, thousand or million, as applicable.

Non-GAAP Financial Measures

Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") measures relating to our financial performance, presented in this Draft Red Herring Prospectus such as Return on Equity, EBITDA, EBITDA margin, EBIT, Return on capital employed, Return on Net Worth, Net Asset Value and certain other industry measures and financial parameters are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, 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. In addition, these Non-GAAP measures, and other statistical 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, a comparison of similarly titled Non-GAAP measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP measures differently from us, limiting their usefulness as a comparative measure. Such supplemental financial and operational information should not be considered in isolation or as a substitute for an analysis of our Restated Financial Information disclosed elsewhere in this Draft Red Herring Prospectus. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance. For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Other Financial Information***" and "***Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Return on Capital Employed 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 pages 328, 321 and 52, respectively.

Currency and Units of Presentation

All references to:

- "**Rupees**" or "**₹**" or "**INR**" or "**Rs.**" are to Indian Rupee, the official currency of the Republic of India;
- "**USD**" or "**US$**" or "**$**" are to United States Dollar, the official currency of the United States of America;
- "**EUR**" or "**€**" are to the Euro, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in such units. One million represents 10 lakhs or 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

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 dates indicated, information with respect to the exchange rate between the Rupee and other currencies:

(Amount ₹ in million)

Currency	**Exchange rate as on**			
	September 30, 2025	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
1 USD	88.79	85.58	83.37	82.22
1 EUR	104.22	92.32	89.94	89.39

Source: www.fbil.org.in
Note:
(1) Exchange rate is rounded off to two decimal points.
(2) If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day, not being a public holiday, has been considered.

Industry and Market Data

Unless stated otherwise, information pertaining to the industry in which our Company operates in and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled "*Industry Research Report for Precision Forged and Machined Components in the Automotive Industry*" dated March 25, 2026 that has been prepared by Care Analytics and Advisory Private Limited and publicly available information as well as other industry publications and sources.

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or is derived from the report titled, "*Industry Research Report for Precision Forged and Machined Components in the Automotive Industry*" dated March 25, 2026 ("**CARE Report**") has been commissioned by and paid for by our Company pursuant to an engagement letter dated May 12, 2025 with Care Analytics and Advisory Private Limited ("**CARE**"), exclusively for the purposes of confirming our understanding of the industry in which our Company operates, in connection with the Offer. The CARE Report is available on the website of our Company at www.kayjayforgings.com until the Bid/ Offer Closing Date. CARE has, vide its consent letter dated March 25, 2026 ("**Letter**") accorded its consent to use the CARE Report in this Draft Red Herring Prospectus. CARE, vide their Letter has confirmed that they are an independent agency, and confirmed that they are not related to our Company, our Promoters, our Directors, Key Managerial Personnel, members of Senior Management, the Selling Shareholders, or the BRLM.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but accuracy, completeness and relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The excerpts of the CARE Report are disclosed in this Draft Red Herring Prospectus and there are no parts, information, data (which may be relevant for the proposed Offer), left out or changed in any manner. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the disclosure requirements under the SEBI ICDR Regulations, "***Basis for the Offer Price***" beginning on page 112 includes information relating to our listed peer group companies. Such information has been derived from publicly available sources specified therein, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decisions should be based solely on such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information sourced from the CARE Report, which was commissioned and paid for by us solely for the purposes of the Offer. Any reliance by prospective investors on such information for making an investment decision involves inherent risks.***" on page 53.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward looking statements". All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward looking statements".

These forward looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "can", "could", "expect", "goal", "estimate", "intend", "may", "objective", "plan", "project", "should", "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward looking statements. All forward looking statements whether made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement including but not limited to, regulatory changes pertaining to the industry in which our Company has businesses 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 and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry, incidence of natural calamities and/or acts of violence. For the reasons described below, we cannot assure investors that the expectations reflected in these forward looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward looking statements and not to regard such statements as a guarantee of future performance.

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

1. Our business is dependent on certain key customers, with our top 10 customers contributing 91.51%, 90.00%, 88.82% and 89.32% of our revenue from sale of products for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The loss of, or a significant reduction in orders from, any of these customers could materially and adversely affect our business, financial condition, results of operations and cash flows.

2. We do not have any long-term agreements with our customers to purchase or place orders with us. If our customers choose not to source their requirements from us or reduce purchase volumes, there may be a material adverse effect on our business, results of operations, financial condition and cash flows.

3. A significant portion of our raw material procurement is carried out without long-term binding agreements, which exposes us to uncertainties regarding continuous supply and timely delivery. Any interruption in the availability of raw materials or any disruption, breakdown or shutdown of our suppliers or any instability of our supplier base could adversely impact our operations.

4. Our business is heavily dependent on the performance of the automotive sector, which contributed 93.80%, 93.52%, 94.02% and 93.95% of our revenue from operations in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any cyclical downturn or regulatory shift in this industry could disproportionately impact our sales volume.

5. Our inability to improve operational efficiency, reduce costs, or effectively pass on increases in raw material prices to our customers could adversely affect our business, financial condition, and results of operations.

6. Our manufacturing operations are geographically concentrated in two regions, Ludhiana (Punjab) and Hosur (Tamil Nadu). Any region-specific disruptions, including social unrest, political instability, or natural disasters in these two regions, could critically interrupt our entire production cycle.

7. Our business performance and profitability rely heavily on the availability and cost of steel, our primary raw material. The cost of raw materials and components consumed by us represented 52.61%, 53.68%, 56.44% and 58.24% of our total revenue from operations during the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. Any volatility in steel prices, shortages arising from external factors, or disruptions in the timely and sufficient supply of raw materials could adversely affect our operations. Such developments may negatively impact our revenues, margins, financial condition and cash flows.

8. We are dependent on our OEM customers for a significant portion of revenues from sale of products for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023. If one or more such customers choose not to source their requirements from us or terminate their purchase orders, our business, financial condition, results of operations and cash flows may be adversely affected.

9. Our business is capital intensive and we have incurred significant capital expenditure in the past and may require additional capital and financing in the future. If we are unable to generate adequate returns on our capital expenditure, or if our expanded capacities are under-utilized or if we are unable to obtain the required additional capital and financing,

our business, growth prospects, results of operations, financial condition and cash flows could be materially and adversely affected.

10. We derive a substantial portion of our revenue from the sale of crankshafts and crankshaft assemblies, and any loss of sales due to a reduction in demand for crankshafts, particularly due to the shift towards EVs, could structurally impact our long-term revenue growth.

For further discussion of factors that could cause actual results to differ from expectations, see "***Risk Factors***", "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 20, 129, 186 and 328, 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 and are not a guarantee of future performance.

There can be no assurance to Bidders that the expectations reflected in these forward looking statements will prove to be correct. Given these uncertainties, Bidders 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.

Forward looking statements reflect current views of our Company as on the date of this Draft Red Herring Prospectus and are not a guarantee of 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 Directors, the BRLM, the Selling Shareholders, the Syndicate Members 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, and the BRLM will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares pursuant to the Offer. In accordance with the requirements of SEBI and as prescribed under the applicable law, each of the Selling Shareholders will, severally and not jointly, ensure (through our Company and the BRLM) that investors are informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by it in the Red Herring Prospectus until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each of the Selling Shareholders to the extent of information pertaining to them and/or their respective portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

SECTION II: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Potential 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 those that we consider to be the most significant to our business, results of operations, cash flows and financial condition as of the date of this Draft Red Herring Prospectus. To obtain a more detailed understanding of our business and operations, please read this section in conjunction with, "**Industry Overview**", "**Our Business**", "**Key Industry Regulations and Policies**", "**Restated Financial Information**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Outstanding Litigation and Other Material Developments**" on pages 129, 186, 214, 246, 328 and 356, respectively as well as other financial and statistical information contained in this Draft Red Herring Prospectus.*

Unless the context otherwise requires, in this section, references to "we", "us" or "our" refers to our Company.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties are not the only risks relevant to us, or the Equity Shares or the industry in which we currently operate or propose to operate. In addition, the risks set out in this section are not exhaustive, and if any or a combination of any of the following risks actually occur, or if any of the risks that are not currently known or are currently deemed to be not relevant or material now, actually occur or become material in the future, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline, and investors may lose all, or part of your investment. Furthermore, some events may be material collectively rather than individually and some risks may have an impact which is qualitative in nature but cannot be quantified. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. You should pay particular attention to the fact that we are incorporated under the laws of India and are subject to a legal and regulatory environment that may be different from that in other countries.

Our Financial Year or Fiscal ends on March 31 of each year, and references to a particular Financial Year or Fiscal are to the 12-months period ended March 31 of that year. Unless otherwise stated or the context otherwise requires, the financial information for the six month period ended September 30, 2025, and the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, included in this section has been derived from the Restated Financial Information included in this Draft Red Herring Prospectus on page 246. We have also included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which have not been derived from the Restated Financial Information. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions.

*This Draft Red Herring Prospectus also contains certain forward looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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 further details, see "**Forward Looking Statements**" on page 18. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. For further details, see "**Restated Financial Information**" on page 246.*

*Unless otherwise indicated, industry and market data used in this Draft Red Herring Prospectus has been extracted or derived from a report titled "Industry Research Report for Precision Forged and Machined Components in the Automotive Industry" dated March 25, 2026 (the "**CARE Report**"), prepared and issued by CARE Analytics and Advisory Private Limited, ("**CARE**"). We have commissioned and paid for the CARE Report pursuant to an engagement letter dated May 12, 2025 and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. The CARE Report is available on the website of our Company at www.kayjayforgings.com until the Bid / Offer Closing Date. The data included in this section includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. CARE is an independent agency and is not a related party of our Company, our Directors, Promoters, Key Managerial Personnel, Senior Management or the Book Running Lead Manager. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See "**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation**", "**Risk Factors - Certain sections of this Draft Red Herring Prospectus contain information sourced from the CARE Report, which was commissioned and paid for by us solely for the purposes of the Offer. Any reliance by prospective investors on such information for making an investment decision involves inherent risks.**" and "**Industry Overview**" on pages 15, 53 and 129, respectively.*

In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and the risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer.

Internal Risk Factors

1. ***Our business is dependent on certain key customers, with our top 10 customers contributing 91.51%, 90.00%, 88.82% and 89.32% of our revenue from operations for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The loss of, or a significant reduction in orders from, any of these customers could materially and adversely affect our business, financial condition, results of operations and cash flows.***

We are a precision engineering integrated manufacturer of forged and machined components, catering primarily to original equipment manufacturers ("**OEMs**") in the automotive sector. Beyond the automotive sector, we also cater to OEMs and non-OEMs in the non-automotive sector and supply farm equipment components, mining equipment components and electronic home appliances components. During the last three Fiscals and six month period ended September 30, 2025, we have served 44 customers, across domestic and international markets. We derive a significant portion of our revenues from a limited number of key customers. Our single largest customer, i.e. TVS Motor Company Limited, to whom we have been supplying components for over 37 years, accounted for 64.94%, 68.31%, 68.31% and 69.14% of our revenue from operations *(excluding revenue generated from sale of scrap*) for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The following table sets forth details of our revenues from our top, top five and top 10 customers, in the periods/ years indicated:

(₹ in million, unless stated otherwise)

Customers	**Six month period ended September 30, 2025[1]**		**Fiscal 2025[2]**		**Fiscal 2024[3]**		**Fiscal 2023[4]**	
	Amount	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**
Revenue generated from our top customer[5]	3,026.39	64.94	5,126.55	68.31	4,592.50	68.31	4,166.88	69.14
Revenue generated from our top five customers[5]	3,989.30	85.60	6,256.96	83.37	5,587.30	83.09	5,057.15	83.92
Revenue generated from our top 10 customers[5]	4,264.26	91.51	6,754.43	90.00	5,972.25	88.82	5,383.11	89.32

[1] *In the six month period ended September 30, 2025, our top customers include TVS Motor Company Limited, Honda Motorcycle and Scooter India Private Limited, Mahindra & Mahindra Limited, Narasipur Auto Components Private Limited, Highway Roop Precision Technologies Limited, Technico Industries Limited and Elkayem Auto Ancillaries Private Limited, and other entities whose names have not been disclosed here due to non-receipt of consent.*

[2] *In Fiscal 2025, our top customers include TVS Motor Company Limited, Honda Motorcycle and Scooter India Private Limited, Mahindra & Mahindra Limited, Narasipur Auto Components Private Limited, Technico Industries Limited, Elkayem Auto Ancillaries Private Limited and Bajajsons Limited, and other entities whose names have not been disclosed here due to non-receipt of consent.*

[3] *In Fiscal 2024, our top customers include TVS Motor Company Limited, Narasipur Auto Components Private Limited, Mahindra & Mahindra Limited, Honda Motorcycle and Scooter India Private Limited and Technico Industries Limited, and other entities whose names have not been disclosed here due to non-receipt of consent.*

[4] *In Fiscal 2023, our top customers include TVS Motor Company Limited, Narasipur Auto Components Private Limited and Technico Industries Limited, Bajaj Motors Limited and other entities whose names have not been disclosed here due to non-receipt of consent.*

[5] *Excludes revenue generated from sale of scrap.*

For further details regarding the commencement of relationship and length of relationship with our top 10 customers, see "***Our Business - Our Strengths – Long-standing relationships with customers and suppliers with a track record of repeat orders***" on page 191.

The demand of the end products of our top customers significantly influences our revenue from operations, as our sales are directly correlated with the production schedules and inventory levels of our customers. Consequently, the volume and timing of sales to these customers may vary significantly due to fluctuations in demand for their end-products, changes in their manufacturing strategies, or inventory corrections.

The loss of all or a substantial portion of sales to any of our top 10 customers, or a significant reduction in the level of business we conduct with them for reasons such as disputes with these customers, adverse changes in their financial condition, decline in their sales, plant shutdowns, labour strikes or other work stoppages affecting their production, would have a material adverse impact on our business, results of operations, financial condition and cash flows. While we have not had any major customer disassociations during the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, we cannot assure you that any of our customers may discontinue purchasing our products in the future.

There can be no assurance that we will be able to maintain historic levels of business from our key customers or reduce customer concentration risk in the future, all of which can have an impact on our business prospects and financial performance. Any decrease in the demand for our products from our top 10 customers, whether due to changes in their sourcing policies, loss of market share of these customers in their respective industries, or changes in their product mix, could adversely impact our results of operations, financial condition and cash flows. These customers may change their outsourcing strategy by moving more work in-house, replacing us with our competitors, or replacing their existing products with alternative products which we do not supply. Additionally, they may negotiate for price reductions, and we may be unable to offset such decreases through cost efficiencies or new customer acquisition.

2. ***We do not have any long-term agreements with our customers to purchase or place orders with us. If our customers choose not to source their requirements from us or reduce purchase volumes, there may be a material adverse effect on our business, results of operations, financial condition and cash flows.***

We do not operate under firm, long-term agreements that require our customers to purchase defined quantities of our products. Instead, sales to most of our customers are governed by purchase orders, even in cases where we have long-standing relationships.

While several of our customers have been associated with us over extended periods, these relationships do not require them to procure minimum quantities or to continue sourcing from us in the future. They may reduce, reschedule or cancel purchase orders, or modify delivery schedules, sometimes with limited notice. As a result, our sales volumes are exposed to changes in our customers' procurement strategies, supplier preferences, production plans and end-market demand, which may lead to fluctuations in our revenues and capacity utilisation from period to period.

Our business success therefore depends significantly on our ability to maintain stable relationships with our key customers. We derive a substantial portion of our revenues from certain long-standing customers, and a material part of our future revenues is expected to depend on the continuation of these relationships or our ability to replace any lost business with new customers of comparable size and scale. There can be no assurance that such customers will continue to source from us at historical levels, or at all, or that we will be able to secure alternative customers wanting to establish a similar relationship. Any material reduction in orders, loss of one or more such customers, or inability to replace them in a timely manner could adversely affect our business, results of operations, financial condition and cash flows. The following table summarizes the revenue contribution from customers with long-standing relationships for the periods/ years indicated:

(₹ in million, unless stated otherwise)

Period of Customer Relationship	**As at September 30, 2025**			**As at March 31, 2025**			**As at March 31, 2024**			**As at March 31, 2023**		
	Number of Customers	**Amount***	**% of Revenue from Operations**	**Number of Customers**	**Amount***	**% of Revenue from Operations**	**Number of Customers**	**Amount***	**% of Revenue from Operations**	**Number of Customers**	**Amount***	**% of Revenue from Operations**
More than 25 years	5	3,191.97	72.03	6	5,407.04	76.21	6	4,949.43	77.94	6	4,653.11	82.04
More than 10 years but less than 25 years	8	562.14	12.69	9	671.90	9.47	9	763.34	12.02	9	619.15	10.92
More than five years but less than 10 years	2	42.47	0.96	2	86.46	1.22	3	61.72	0.97	-	-	-
Five years and less	19	634.60	14.32	15	929.72	13.10	12	575.69	9.07	16	399.18	7.04
Total	**34**	**4,431.18**	**100.00**	**32**	**7,095.11**	**100.00**	**30**	**6,350.18**	**100.00**	**31**	**5,671.45**	**100.00**

* *Excludes revenue generated from sale of scrap*

Given that a substantial portion of our revenue has historically been derived from a few large customers with whom we have long-standing relationships, any reduction in sourcing by such customers, non-renewal or cancellation of purchase orders, delay in scheduling or changes in vendor allocation may result in a loss of business. In such events, we may not be able to redeploy capacity immediately or secure alternative orders of similar size or margin. Furthermore, as substantially all of our products are customized to specific customer requirements, we incur set-up and production costs which may not be recovered if sourcing volumes are reduced or cancelled. Where customers amend or cancel purchase quantities after production has commenced, we may be left with inventory that cannot be repurposed or sold to other customers, potentially resulting in write-downs or losses.

While there has been no instance in the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023 where any of our customers have terminated their purchase orders or purchase arrangements with us on account of quality failures or supply-related concerns, there is no assurance that such instances will not arise in the future. If such reduction or termination were to involve a customer having a significant contribution, the adverse impact on our revenue may be more pronounced.

3. ***A significant portion of our raw material procurement is carried out without long-term binding agreements, which exposes us to uncertainties regarding continuous supply and timely delivery. Any interruption in the availability of raw materials or any disruption, breakdown or shutdown of our suppliers or any instability of our supplier base could adversely impact our operations.***

During the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, we have procured raw materials from approx. 144 suppliers. Some of our key suppliers are located in close proximity to our manufacturing facilities in Punjab and Tamil Nadu. Our relationship with our top ten 10 suppliers ranges from 3 years to 32 years. For further details on procurement of raw materials, see "***Our Business – Our Business Operations – Raw Materials and Suppliers***" on page 209. Although there may be multiple suppliers capable of providing certain raw materials and components required for our operations, our suppliers are generally approved by our customers. Any failure by these suppliers to deliver raw materials or components to us on time, in the required quantities, or in accordance with our specifications and quality standards whether due to capacity constraints, equipment breakdowns, industrial relations or safety issues, insolvency of the supplier, supply chain disruptions, or other disruptions in their manufacturing processes could impair our ability to meet our production and delivery schedules. This, in turn, may adversely affect our sales, margins and customer relationships. If we are unable to identify and qualify an alternative supplier approved by our customers in a timely manner, or at all, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

Our top 10 suppliers contributed 71.10%, 74.34%, 75.84% and 75.00% of our total raw material purchases for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The table sets forth below the details of purchases from our top three, top five and top 10 suppliers for the period/ years indicated below:

(₹ in million, unless stated otherwise)

Category	Six month period ended September 30, 2025[(1)]		Fiscal 2025[(2)]		Fiscal 2024[(3)]		Fiscal 2023[(4)]	
	Cost of Raw Material Sourced	% of Total Purchases	Cost of Raw Material Sourced	% of Total Purchases	Cost of Raw Material Sourced	% of Total Purchases	Cost of Raw Material Sourced	% of Total Purchases
Purchases from top three suppliers	1,202.55	49.38	2,035.37	50.03	1,988.67	52.72	1,744.23	49.52
Purchases from top five suppliers	1,405.55	57.72	2,386.24	58.65	2,362.99	62.64	2,099.99	59.61
Purchases from top 10 suppliers	1,731.45	71.10	3,024.51	74.34	2,860.91	75.84	2,642.03	75.00

(1) *In the six month period ended September 30, 2025, our top suppliers include Arora Iron & Steel Rolling Mills Private Limited, Aarti Steel International Limited, VCK Forge, Sunflag Iron & Steel Co. Limited, S.K. Nirbhay Steels, and Arjas Modern Steel Private Limited, and other entities whose names have not been disclosed here due to non-receipt of consent.*

(2) *In Fiscal 2025, our top suppliers include Arora Iron & Steel Rolling Mills Private Limited, VCK Forge, Aarti Steel International Limited, Arjas Modern Steel Private Limited and Sunflag Iron & Steel Co. Limited, and other entities whose names have not been disclosed here due to non-receipt of consent.*

(3) *In Fiscal 2024, our top suppliers include Arora Iron & Steel Rolling Mills Private Limited, Aarti Steel International Limited, VCK Forge, Sunflag Iron & Steel Co. Limited and S.K. Nirbhay Steels, and other entities whose names have not been disclosed here due to non-receipt of consent.*

(4) *In Fiscal 2023, our top suppliers include Arora Iron & Steel Rolling Mills Private Limited, Aarti Steel International Limited and VCK Forge, Swarn Industries, Surindra Industries and S.K. Nirbhay Steels, and other entities whose names have not been disclosed here due to non-receipt of consent.*

Additionally, we do not have long-term supply agreements with our suppliers and procure steel through individual purchase orders. Consequently, suppliers are not obligated to supply required quantities or prioritise our orders and may allocate capacity to competitors or other customers. It may also expose us to risks of supply disruption or price volatility.

While we have not encountered any instances during the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023 where our suppliers were unable to provide the required quantities of raw materials, or where we were unable to secure timely replacements for any supplier, we cannot assure you that such situations will not occur in the future. Any delay in replacing limited-source suppliers could disrupt our supply chain. Further, if we seek to diversify our supplier base, we may be unable to do so on terms, timelines or budgets acceptable to us. Our dependence on a select group of customer-approved suppliers may limit our ability to switch to alternative suppliers without customer consent, and any inability to procure an uninterrupted supply of raw materials from such approved suppliers could in turn impact our financial performance.

4. ***Our business is heavily dependent on the performance of the automotive sector, which contributed 93.80%, 93.52%, 94.02% and 93.95% of our revenue from operations in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any cyclical downturn or regulatory shift in this industry could disproportionately impact our sales volume.***

We cater to OEMs and Non-OEMs in both, domestic and international markets operating in the automotive sector, specifically manufacturing components for two-wheelers (2W), three-wheelers (3W), four-wheelers (4W), commercial vehicles (CV), and electric vehicles (EV). Accordingly, our business is significantly influenced by the performance of this sector. The following table sets forth the revenue generated from the end-use industries within the automotive sector, as well as from non-automotive sectors, as a percentage of our total revenue from operations for the period/ years indicated:

(₹ in million, unless stated otherwise)

Sector / End-Use Industry	Six month period ended September 30, 2025			Fiscal 2025			Fiscal 2024			Fiscal 2023		
	Number of customers	Amount	% of Revenue from Operations	Number of customers	Amount	% of Revenue from Operations	Number of customers	Amount	% of Revenue from Operations	Number of customers	Amount	% of Revenue from Operations
Automotive Sector												
2W	18	3,232.43	69.36	15	5,446.47	72.57	15	4,809.28	71.53	17	4,345.72	72.11
3W	1	282.24	6.06	1	401.07	5.34	1	360.89	5.37	1	440.30	7.31
4W	8	428.28	9.19	8	698.81	9.31	7	556.94	8.28	8	464.28	7.70
CV	5	372.33	7.99	5	350.83	4.67	5	509.00	7.57	5	295.46	4.90
EV	2	56.52	1.21	2	120.79	1.61	2	84.71	1.26	2	116.46	1.93
Sub-Total (A)	**34**	**4,371.80**	**93.80**	**31.00**	**7,017.97**	**93.52**	**30.00**	**6,320.82**	**94.02**	**33.00**	**5,662.22**	**93.95**
Non-Automotive Sector												
Consumables and durables	1	25.71	0.55	1	54.38	0.72	1	28.21	0.42	1	9.22	0.15
Farm and mining equipment	2	33.47	0.72	2	22.66	0.30	2	1.14	0.02	-	-	-
Others[(1)]	1	0.2	Negligible	1	0.1	Negligible	-	-	-	-	-	-
Sub-Total (B)	**4**	**59.38**	**1.27**	**4**	**77.14**	**1.02**	**3**	**29.35**	**0.44**	**1**	**9.22**	**0.15**
Others[(2)] (C)	**-**	**229.45**	**4.92**	**-**	**409.53**	**5.46**	**-**	**372.99**	**5.55**	**-**	**355.48**	**5.90**
Total (A + B + C)[(3)]	**38**	**4,660.63**	**100.00**	**35**	**7,504.64**	**100.00**	**33**	**6,723.16**	**100.00**	**34**	**6,026.92**	**100.00**

(1) *Oil Pipe Fitting parts and Oil refinery parts*
(2) *Sale of scrap*
(3) *Certain customers operate across multiple vehicle segments and are therefore included in each applicable segment.*

Our sales are directly dependent on the production volumes and commercial success of our customers in the automotive industry. As per the CARE Report, the increasing disposable incomes and rising inclination to buy vehicles are the primary factors contributing to increased demand for automotive components. A downturn in the automotive industry, particularly in the two-wheeler segment, could lead to reduced demand for our products, resulting in lower sales volumes, slower inventory turnover and higher working capital being locked in inventory. This may, in turn, increase our carrying costs and require us to offer pricing concessions or discounts to liquidate stock, thereby compressing our gross margins.

Furthermore, the success of our business is linked to the ability of our customers to maintain their market position and effectively manage their own supply chains. Any disruption in their production schedules, whether due to regulatory changes, labour unrest, component shortages, or other factors, could directly impact their demand for our products. For instance, a shift in consumer preference towards EVs may impact the demand for certain internal combustion engine ("**ICE**") specific components we manufacture, particularly crankshafts, if we are unable to adapt and expand our product portfolio accordingly.

In addition to demand-side risks, the automotive industry is subject to stringent regulatory changes, including evolving safety norms, emission standards (such as BS-VI and fuel related additives), and policies promoting vehicle electrification. Any sudden policy changes or disruptions in the supply chain, such as those affecting the availability of key raw materials like steel, could impact the production schedules of our customers, thereby reducing the demand for our products. If we are unable to adapt to such changes in a timely and cost-effective manner, our business and results of operations could be materially and adversely affected.

While there has been no instance in the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023 where fluctuations in the performance of the automotive sector have resulted in a material adverse effect on our business, financial condition, or profitability, we cannot assure you that such instances will not arise in the future. Any sustained decrease in demand in the automotive industries we supply to, particularly the two-wheeler segment, or any uncertainty regarding regulations, taxes, or trade barriers affecting the vehicle industry, could materially and adversely affect our business, results of operations, financial condition, and cash flows. For further details regarding the industry trends and our performance, see "***Industry Overview***" on page 129 and "***Our Business***" on page 186.

5. ***Our inability to improve operational efficiency, reduce costs, or effectively pass on increases in raw material prices to our customers could adversely affect our business, financial condition, and results of operations.***

We operate in a capital-intensive industry characterized by high fixed costs and inherently low operating margins. While our profitability metrics have improved over the periods indicated below, our profit after tax ("**PAT**") margins have remained low, reflecting the structural cost pressures inherent to our business. The following table sets forth key profitability metrics for the periods indicated below:

(₹ in million, except percentage)

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations	4,660.63	7,504.64	6,723.16	6,026.92
EBITDA	445.61	714.97	647.10	500.85
EBITDA Margin (%)	9.56	9.53	9.62	8.31
Profit After Tax	213.57	290.15	241.26	138.13
PAT Margin (%)	4.58	3.87	3.59	2.29

Additionally, our ability to sustain and improve our profitability is partly constrained by our limited bargaining power with our key customers, primarily OEMs, who typically utilize their significant leverage to negotiate price reductions as production volumes increase. While we generally attempt to pass on raw material price fluctuations to these customers, such pass-through is typically subject to a negotiation and review cycle and the process is often subject to a time lag, and we are frequently unable to pass on the full extent of other cost increases, particularly those related to power, fuel, and logistics.

Furthermore, our proposed expansion into new manufacturing facilities in Ludhiana (Punjab) and Hosur (Tamil Nadu) will increase our depreciation and finance costs in the near term. If we are unable to scale our revenue sufficiently to absorb these increased fixed costs, our margins may come under pressure. Any sustained pressure on our profit margins could restrict our ability to reinvest in the business, service debt, and pay dividends, which could have a material adverse effect on our financial condition and results of operations. For further details regarding our financial performance, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 328.

While our profitability metrics have shown an improving trend across the periods indicated above, there can be no assurance that we will be able to sustain or improve our current margins, or that the factors described above will not adversely affect our profitability in the future. Any deterioration in our profit margins could materially and adversely affect our business, financial condition, results of operations and cash flows.

6. ***Our manufacturing operations are geographically concentrated in two regions, Ludhiana (Punjab) and Hosur (Tamil Nadu). Any region-specific disruptions, including social unrest, political instability, or natural disasters in these two regions, could critically interrupt our entire production cycle.***

We have six operational manufacturing facilities of which four are located at Ludhiana, Punjab and balance two are located at Hosur, Tamil Nadu. Consequently, any significant disruption in the state of Punjab, specifically in Ludhiana, or in the state of Tamil Nadu, specifically in Hosur would affect our forging and machining activities and have an adverse impact on our backward integrated production cycle, impairing our ability to fulfill customer orders. Such disruptions can adversely affect the delivery of our finished products. Furthermore, we are expanding our capacities in these same two regions, utilizing the Net Proceeds to set up the Proposed Forging Facility in Punjab and the Proposed Machining Facility in Punjab, which further deepens our geographic concentration risk. For further details please see "***Objects of the Offer - Utilization of Net Proceeds***" on page 92.

Our operations in these regions are susceptible to various local and regional risks that could materially and adversely affect our business. For instance, our manufacturing facilities may be affected by regional civil unrest, strikes, political agitations, or labour disruptions. Regions where we operate, such as Punjab, have historically witnessed agitations such as "rail rokos" (railway blockades) or protests such as farmer protests, which can disrupt the movement of raw materials and finished goods. While we have in-house logistics for transportation of forged components for machining from Ludhiana to Hosur, any blockage or transport disruption in any region in the corridor could paralyze our inter-facility supply chain/ customer delivery timelines. Furthermore, our facilities are vulnerable to regional climatic risks and natural disasters, such as heavy rainfall, earthquake, floods, or cyclones. Any severe weather event in Punjab or Tamil Nadu could lead to power outages, damage to our machining or forging facilities, or logistical breakdowns, disrupting our ability to meet our delivery schedules for our key customers. Additionally, we are subject to state-specific laws in Punjab and Tamil Nadu regarding labour, environment, and electricity. Any adverse change in the industrial policies, power tariffs charged by the respective state electricity boards (Punjab State Power Corporation Limited or Tamil Nadu Power Distribution Corporation Limited), or pollution control norms in either state could increase our compliance costs or have an adverse impact on our operations.

We do not have manufacturing facilities in other states to offset a total shutdown of our business operations in either Punjab or Tamil Nadu. Therefore, any significant disruption in these specific regions could lead to an inability to fulfill customer orders, resulting in a material adverse effect on our results of operations and financial condition. While there has been no instance of any material disruption to our operations due to region-specific factors such as social unrest, natural disasters, or regulatory changes in the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, we cannot assure you that such instances will not arise in the future.

7. ***Our business performance and profitability rely heavily on the availability and cost of steel, our primary raw material. The cost of raw materials and components consumed by us represented 52.61%, 53.68%, 56.44% and 58.24% of our total revenue from operations during the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. Any volatility in steel prices, shortages arising from external factors, or disruptions in the timely and sufficient supply of raw materials could adversely affect our operations. Such developments may negatively impact our revenues, margins, financial condition and cash flows.***

Steel constitutes our principal raw material, and the cost and competitiveness of our products depend on our ability to procure such materials at acceptable prices while ensuring a consistent and adequate supply. The pricing and availability of steel primarily is subject to fluctuations and potential shortages arising from a range of external factors, including global and domestic supply demand imbalances, logistics and processing constraints, our relative negotiating strength with suppliers, inflationary pressures, changes in governmental policies and regulations, overall economic conditions, variations in production levels, market demand, as well as duties, taxes and trade restrictions.

Any material variation in the cost of steel or any disruption in its timely and adequate supply could adversely affect our production schedules, operating margins and overall financial performance. Although we seek to mitigate these risks by engaging with multiple approved suppliers, there can be no assurance that these measures will fully offset the impact of commodity price volatility or supply-side constraints. Under prevailing industry arrangements, grade-specific variations in steel prices are typically passed on to our customers by suppliers through retrospective price adjustments. However, such adjustments are not automatic, may require customer approval, and often involve a time lag. During this period, higher procurement costs may temporarily impact our margins and cash flows. During the six month period ended September 30, 2025 and in Fiscals 2025, 2024, and 2023, we have not encountered instances where variation in steel prices have materially affected our business, results of operations, financial condition or cash flows, we cannot assure that similar circumstances will not arise in the future.

The table below sets out the cost of raw materials and components consumed as a percentage of our total expenses, total revenue from operations and total income for the periods/ years indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost of raw materials and components consumed (₹ million)	2,452.05	4,028.21	3,794.47	3,510.25
Cost of raw materials and components consumed as a % of total expenses	55.85	56.41	58.82	59.90
Cost of raw materials and components consumed as a % of total revenue from operations	52.61	53.68	56.44	58.24

In order to partially mitigate the risk of supply chain disruptions, we maintain steel-based inventory as part of our working capital, subject to customer approvals and supplier qualification requirements. Our steel-based inventory represents 82.45%, 85.78%, 87.87% and 88.86% of our total inventory as of the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. Following is the value of steel-based inventory as a percentage of total inventory for the period/ years indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Value of steel-based inventory (₹ million)	803.33	892.89	788.88	664.67
% of Total Inventory	82.45	85.78	87.87	88.86

Maintaining inventory exposes us to valuation risks. In periods of rapidly declining steel prices, the value of our inventory may decrease, requiring us to record write-downs or recognize losses on the sale of such inventory.

Conversely, in periods of rising steel prices, our working capital requirements increase as we need to commit additional funds to procure sufficient quantities of raw materials. Steel prices are inherently volatile and influenced by global supply–demand dynamics, currency movements and government policy, and other factors beyond our control.

Declining steel prices may also lead suppliers to reduce or withdraw capacity until pricing stabilizes, causing supply interruptions, increased procurement costs or delays in availability. Any such supply constraints could disrupt our production schedules and impair our ability to meet customer delivery timelines, which may adversely affect our customer relationships, reputation, and financial performance.

8. ***We are dependent on our OEM customers for a significant portion of revenues from sale of products for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023. If one or more such customers choose not to source their requirements from us or terminate their purchase orders, our business, financial condition, results of operations and cash flows may be adversely affected.***

We are a precision engineering integrated manufacturer of forged and machined components, catering primarily to OEMs in the automotive sector. We also cater to OEMs in the non-automotive sector as well as non-OEM customers. For further details, see "***Our Business — Overview***" on page 186.

The following table sets forth our revenue from operations from OEM and Non-OEM customers for the periods/years indicated:

(₹ in million, unless stated otherwise)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*
OEM Customers	3,522.23	79.49	5,828.42	82.15	4,959.81	78.11	4,375.67	77.15
Non-OEM Customers	908.94	20.51	1,266.69	17.85	1,390.37	21.89	1,295.78	22.85
Total	**4,431.17**	**100.00**	**7,095.11**	**100.00**	**6,350.18**	**100.00**	**5,671.45**	**100.00**

* *Excludes revenue generated from sale of scrap*

Our OEM customers are subject to a wide range of risks, including economic downturns, governmental laws and regulations, import restrictions, significant declines in the production or sales, natural disasters, pandemics, increases in interest rates, labour strikes, supply shortages or rising raw material costs, product defects, adverse publicity and failure to adapt to changing customer preferences. These risks could materially affect our OEM customers' ability to profitably design, manufacture, market or distribute the products for which we supply components, which in turn could adversely affect our business, results of operations, cash flows and financial condition. Additionally, some of our OEM customers compete in international and domestic markets against competitors with greater financial, research and technological resources, larger sales and marketing teams and more established reputations. Any inability of our OEM customers to compete effectively could reduce their demand for our components and thereby adversely affect our business.

We may be unable to maintain our relationships with our OEM customers or such OEMs may not place orders commensurate to existing levels or place orders at all. We may be unsuccessful in competing for desired OEM customers to promote and sell our products. Moreover, automobile recalls and adverse economic conditions could slow down our OEM customers' sales, which may lead to decreased production by such customers, resulting in lower demand for our products. We may not be able to meet the technological requirements of our OEM customers as a result of which we may either not be able to secure new OEM customers or continue our relationship with the existing OEM customers. If any of these relationships were to be altered or terminated and we are unable to obtain sufficient orders on comparable terms, our business, financial condition, results of operations, cash flows and business prospects could be materially and adversely affected.

9. ***Our business is capital intensive and we have incurred significant capital expenditure in the past and may require additional capital and financing in the future. If we are unable to generate adequate returns on our capital expenditure, or if our expanded capacities are under-utilized or if we are unable to obtain the required additional capital and financing, our business, growth prospects, results of operations, financial condition and cash flows could be materially and adversely affected.***

Our business operations are capital intensive, requiring substantial and continuous investment to develop new products, upgrade our manufacturing facilities, and adopt advanced technologies. In the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, our capital expenditure was ₹161.09 million, ₹538.12 million, ₹491.18 million, and ₹374.26 million, respectively**.** To compete effectively, we continue investing in our infrastructure to meet the evolving demands of our customers.

The following table sets forth our capital expenditure for the period/ years indicated:

(₹ in million)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Capital Expenditure	161.09	3.46	538.12	7.17	491.18	7.31	374.26	6.21

There is no assurance that such investments will yield the expected profitability or that we will be able to successfully convert these capital expenditures into revenue growth. Our capital expenditure plans are based on current assessments of market demand and customer requirements, which are subject to change. If the demand for our products does not grow as anticipated, or if we fail to secure sufficient orders to utilize our expanded capacities, we would continue to incur significant fixed costs including employee benefit expenses, finance costs and depreciation and amortisation which have limited correlation with our production levels and without corresponding revenue, which would put pressure on our margins. Additionally, we incur certain mandatory capital expenditure for the maintenance, upgradation, and modernization of our facilities irrespective of our revenue growth. Our installed forging and machining capacities and capacity utilisation data for the periods indicated are set out in the section "***Our Business — Installed Capacity, Actual Production and Capacity Utilisation***" on page 208. In the event of any downturn in our primary sector of operation i.e. the automotive sector or any other negative impact on our business, such mandatory expenditure may strain our cash flows.

Further, our expansion strategies may require us to incur additional debt, thereby exposing us to future funding obligations and debt servicing requirements. Our Debt-to-Equity ratio has improved from 1.29x in Fiscal 2023 to 0.83x in Fiscal 2024 to 0.63x in Fiscal 2025 to 0.45x in the six month period ended September 30, 2025, and our Interest Coverage Ratio has improved from 2.38x in Fiscal 2023 to 3.05x in Fiscal 2024 to 3.99x in Fiscal 2025 to 5.56x in the six month period ended September 30, 2025, reflecting our ongoing deleveraging. These plans may include reliance on debt financing and/ or the issuance of equity or debt securities. However, any new debt incurred in connection with our proposed expansion could reverse this trend and increase our debt servicing obligations. There can be no assurance that our internally generated resources will be sufficient to meet our funding needs, which may necessitate raising additional capital. Any future borrowing would increase our interest and repayment obligations, which could materially affect our profitability, cash flows, and overall financial position. Part of the Net Proceeds from this Offer will also be applied towards repayment of existing borrowings, For further details on the proposed utilisation of Net Proceeds, see "***Objects of the Offer – Utilization of Net Proceeds***" on page 92.

While there has been no instance in the six month period ended September 30, 2025, and in the last three Fiscals where our capital expenditure endeavors have resulted in underutilization of our capacities, we cannot assure you that such instances will not arise in the future. Any failure to manage our capital expenditure effectively, generate adequate returns on our investments, or maintain sufficient cash flows to service our capital requirements could have a material adverse effect on our business, growth prospects, results of operations, financial condition and cash flows.

10. We derive a substantial portion of our revenue from the sale of crankshafts and crankshaft assemblies, and any loss of sales due to a reduction in demand for crankshafts, particularly due to the shift towards EVs, could structurally impact our long-term revenue growth.

We rely significantly on revenue generated from the sale of our key product, crankshafts and crankshaft assemblies. The following table sets forth the revenue generated from the sale of crankshafts and crankshaft assemblies as a percentage of our total revenue from our operations for the period/ years indicated:

(₹ in million, unless stated otherwise)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Sale of Crankshafts and Crankshaft Assemblies	2,111.60	47.65	3,434.46	48.41	2,816.83	44.36	2,323.06	40.96

As per the CARE Report, within the forged crankshaft component market segment, we are the largest supplier of crankshaft and crankshaft assemblies to OEMs in India for two-wheelers with an estimated domestic market share of ~36% in Fiscal 2025. The automotive industry is witnessing a gradual shift towards electrification across vehicle segments. A significant increase in the adoption of battery EVs, particularly in the two-wheeler and three-wheeler segments which form a major part of our customer base, could lead to a shrinkage in the market for crankshafts and crankshaft assemblies.

According to the CARE Report, enhanced infrastructure, subsidies and growing environmental consciousness have driven an uptick in EV two-wheeler adoption in urban and semi-urban India. In contrast, rural regions lag due to inadequate charging facilities, higher upfront costs and limited awareness, resulting in sustained dominance of ICE two-wheelers.

Crankshafts are a critical component of an internal combustion engine ("**ICE**") and are not utilized in battery-powered EVs. While traditional ICE vehicles continue to dominate forging demand globally, the transition toward EVs is reshaping product requirements, with greater emphasis on lightweight aluminum and precision-forged components *(source: CARE Report)*. According to the CARE Report, while forging demand in ICE vehicles is stable, the gradual transition toward electric vehicles poses a medium-to-long-term risk. The transition to EVs is expected to be gradual, with ICE components likely remaining in demand for the foreseeable future, especially in rural markets. In response to this evolving landscape, our Company has already initiated its entry into the EV segment in 2021 and is leveraging its precision engineering capabilities for new product development to adapt to the EV ecosystem.

Recognizing the potential long-term impact of this shift, our future success depends in part on our ability to reduce our dependence on crankshafts and crankshaft assemblies by diversifying our product portfolio in a timely manner. We are pursuing this through multiple avenues, including expanding our non-automotive product portfolio in the farm equipment, mining equipment and electrical appliances sectors, developing EV-compatible components, and exploring lightweight aluminium forged and machined components to address the growing demand for lightweight solutions across automotive and non-automotive applications. However, new product development and qualification is a time-consuming process, and we may face challenges in installing and commissioning facilities for new products, obtaining customer approvals and qualifications for new product categories, or our new products may not achieve market acceptance. There can be no assurance that our diversification efforts will generate revenues sufficient to offset any structural decline in crankshaft and crankshaft assembly revenues within a timeframe that limits the adverse impact on our overall financial performance. For further details regarding our product portfolio, see "***Our Business***" on page 186.

Although we have not experienced any decline in the sale of crankshafts and crankshaft assemblies in the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023 due to the advent of EVs, there can be no assurance that the pace of EV adoption will not accelerate, or that we will be able to successfully diversify our product base in sufficient time to offset any resulting decline in demand. Any such decline could materially and adversely affect our business, financial condition, results of operations and cash flows.

11. We intend to utilize a majority of the Net Proceeds for funding our capital expenditure requirements for the setting up of the Proposed Forging Facility and Proposed Machining Facility in Punjab and there can be no assurance that such expansion will be completed within the estimated costs and timelines.

We propose to utilize ₹591.04 million and ₹352.73 million from the Net Proceeds towards the setting up of Proposed Forging Facility and Proposed Machining Facility in Punjab, respectively. The Proposed Forging Facility is proposed to be set up on a land parcel admeasuring 4,981.92 square meters owned by us in Punjab and is intended to augment our forging capacity. The Proposed Machining Facility is proposed to be set up on a land parcel admeasuring approx. 3,620 square meters located at in Ludhiana, Punjab, and is intended to augment our machining capacity and establish an in-house tool room. As on the date of this Draft Red Herring Prospectus, we have commenced the process of procurement for these expansion projects, including placing orders and entering into agreements with certain vendors for the supply of key machinery and equipment, construction and civil works and incurring miscellaneous costs such as design, architect fees and approvals related expenses required for these expansion projects.

We have relied on quotations received from various domestic and international vendors to estimate the costs associated with the purchase of machinery. These quotations are valid only for a specific period and are subject to various commercial and technical factors, including market demand, foreign exchange rate fluctuations (particularly for imported machinery), and changes in government levies or duties. If we are unable to place orders within the validity period of these quotations, or if the vendors revise their pricing or terms, we may face cost overruns. Furthermore, since the Net Proceeds have not been appraised by any bank or financial institution, the estimated costs are based entirely on management estimates. We cannot assure that we will be able to procure the necessary equipment at the estimated costs or within the estimated timelines. Any significant cost escalation or delay in procurement could require us to seek additional funding, which may not be available on favorable terms, or at all, thereby adversely affecting our expansion plans and results of operations. For further details on risks relating to the non-appraisal of the Net Proceeds, see "- ***The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variation in the utilization of the Net Proceeds would be subject to shareholders' approval, which may restrict our ability to respond rapidly to changing business conditions.***" on page 36.

Our proposed facilities will require various statutory, regulatory and construction-related approvals at different stages of their implementation. These approvals are subject to governmental processes and timelines, and additional permissions may become necessary as the project progresses. Any delay in obtaining such approvals, or in securing them on terms and within time frames acceptable to us, could result in changes to the planned implementation schedule and to the proposed deployment of the Net Proceeds. For further details, see "***Objects of the Offer – Government Approvals***" on page 102. The establishment of each new facility also entails significant capital commitments and operational risks, and there can be no assurance that we will be able to achieve the anticipated cost efficiencies or the expected growth in our business. Further, any inability to obtain required permissions, or to procure machinery, equipment or other requirements at acceptable prices or within the expected time, may lead to higher capital expenditure and extensions or modifications to the deployment of Net Proceeds, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

Particulars	**Six month period ended September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**
Capital Expenditure	161.09	3.46	538.12	7.17	491.18	7.31	374.26	6.21

There is no assurance that such investments will yield the expected profitability or that we will be able to successfully convert these capital expenditures into revenue growth. Our capital expenditure plans are based on current assessments of market demand and customer requirements, which are subject to change. If the demand for our products does not grow as anticipated, or if we fail to secure sufficient orders to utilize our expanded capacities, we would continue to incur significant fixed costs including employee benefit expenses, finance costs and depreciation and amortisation which have limited correlation with our production levels and without corresponding revenue, which would put pressure on our margins. Additionally, we incur certain mandatory capital expenditure for the maintenance, upgradation, and modernization of our facilities irrespective of our revenue growth. Our installed forging and machining capacities and capacity utilisation data for the periods indicated are set out in the section "***Our Business — Installed Capacity, Actual Production and Capacity Utilisation***" on page 208. In the event of any downturn in our primary sector of operation i.e. the automotive sector or any other negative impact on our business, such mandatory expenditure may strain our cash flows.

Further, our expansion strategies may require us to incur additional debt, thereby exposing us to future funding obligations and debt servicing requirements. Our Debt-to-Equity ratio has improved from 1.29x in Fiscal 2023 to 0.83x in Fiscal 2024 to 0.63x in Fiscal 2025 to 0.45x in the six month period ended September 30, 2025, and our Interest Coverage Ratio has improved from 2.38x in Fiscal 2023 to 3.05x in Fiscal 2024 to 3.99x in Fiscal 2025 to 5.56x in the six month period ended September 30, 2025, reflecting our ongoing deleveraging. These plans may include reliance on debt financing and/ or the issuance of equity or debt securities. However, any new debt incurred in connection with our proposed expansion could reverse this trend and increase our debt servicing obligations. There can be no assurance that our internally generated resources will be sufficient to meet our funding needs, which may necessitate raising additional capital. Any future borrowing would increase our interest and repayment obligations, which could materially affect our profitability, cash flows, and overall financial position. Part of the Net Proceeds from this Offer will also be applied towards repayment of existing borrowings, For further details on the proposed utilisation of Net Proceeds, see "***Objects of the Offer – Utilization of Net Proceeds***" on page 92.

While there has been no instance in the six month period ended September 30, 2025, and in the last three Fiscals where our capital expenditure endeavors have resulted in underutilization of our capacities, we cannot assure you that such instances will not arise in the future. Any failure to manage our capital expenditure effectively, generate adequate returns on our investments, or maintain sufficient cash flows to service our capital requirements could have a material adverse effect on our business, growth prospects, results of operations, financial condition and cash flows.

12. We export our products to various countries, and our revenue from contracts with customers outside India represented 9.36%, 5.11%, 6.99% and 5.82% of our total revenue from contracts with customers in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any risks arising from economic downturns, geopolitical instability and adverse changes in global trade policy in our key export markets, any of which economic downturns or geopolitical instability in these countries, particularly in Europe and the United States of America, could reduce demand for our exports.

We have a global footprint and export our products to various countries including Hungary, France, Germany, Sweden, Brazil and USA. Our ability to maintain and grow our export operations is critical to our business strategy. In the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, our revenue from contracts with customers outside India was ₹436.20 19 million, ₹383.60 million, ₹470.69 million, and ₹350.56 million, respectively

The following table sets forth information regarding our revenue from outside India, including in our top jurisdictions, as a percentage of our total revenue from operations for the period/ years indicated:

(₹ in million)

Export sales	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% total revenue of operations	Amount	% total revenue of operations	Amount	% total revenue of operations	Amount	% total revenue of operations
Hungary	328.37	7.05	255.40	3.40	375.11	5.58	209.49	3.48
France	74.15	1.59	103.76	1.38	94.45	1.40	141.07	2.34
Germany	33.40	0.72	22.99	0.31	0.87	0.01	-	-
Sweden	0.07	negligible	1.22	0.02%	0.26	negligible	-	-
USA	0.20	negligible	0.11	negligible	-	-	-	-
Brazil	-	-	0.12	negligible	-	-	-	-
Total	**436. 19**	**9.36**	**383.60**	**5.11**	**470.69**	**6.99**	**350.56**	**5.82**

We are subject to risks associated with our international operations, including global economic slowdowns, particularly in our key markets like Hungary and France, which together accounted for approximately 92.28% majority of our total export revenues in the six month period ended September 30, 2025. An economic downturn in these regions could lead to reduced demand for our products. Furthermore, international trade is subject to various risks such as the imposition of tariffs, duties, and other trade barriers. India's trade relationships, including free trade agreements, play a role in our competitive positioning. Any adverse changes in these agreements or the entry of destination countries into trade pacts that exclude India could place us at a competitive disadvantage.

Global geopolitical tensions, including the ongoing conflict between Russia and Ukraine and the ongoing conflict between the United States of America, Israel and Iran, have resulted in significant disruptions to global supply chains, elevated commodity prices and increased freight and logistics costs. In particular, the US-Israel-Iran conflict has effectively disrupted commercial traffic through the Strait of Hormuz, a critical global energy chokepoint through which approximately 20% of global oil and liquefied natural gas ("**LNG**") supplies transit, resulting in a significant spike in global energy prices. European natural gas benchmark prices have nearly doubled since the onset of the conflict, driven by disruption to LNG supplies from Qatar and historically low European gas storage levels.

Such elevated energy costs increase the operating expenses of our OEM and Non-OEM customers in our key European export markets, particularly Hungary and France, which could adversely impact their production volumes and consequently reduce demand for our components. In addition, elevated global gas and energy prices have also increased the operating costs of several of our domestic customers and suppliers in India, which could lead to reduced production schedules, cost-cutting measures, or delays in procurement, thereby adversely affecting our domestic sales as well. Additionally, our operations may be impacted by geopolitical tensions, for instance, the Red Sea crisis contributed to a decline in our export revenues from ₹470.69 million in Fiscal 2024 to ₹383.60 million in Fiscal 2025.

Any escalation or prolongation of these conflicts, or the outbreak of new conflicts in regions relevant to global shipping routes or our key export markets in Europe, could further disrupt our supply chain, increase our logistics costs and reduce demand from our overseas customers. While our current direct export exposure to the USA is negligible at ₹0.20 million in the six month period ended September 30, 2025, any future changes in trade policy in the USA or other jurisdictions, including the imposition of tariffs, withdrawal of trade concessions or introduction of localisation mandates, could make our products less price-competitive compared to local or alternative suppliers and adversely impact our export growth strategy. Any retaliatory trade measures by other jurisdictions could further affect global trade flows and demand for our products. While we have not faced any other material adverse effect due to international trade regulations or geopolitical instability beyond the impact referred to above, during the six month period ended September 30, 2025, and in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

We are also subject to the regulatory environments of the jurisdictions to which we export. While we have not faced any material impediments to our export activities in the six month period ended September 30, 2025, or in the last three Fiscals, there is no assurance that new or stricter regulations, trade restrictions or certification requirements introduced in these jurisdictions will not affect our ability to export to those regions in the future. For further details on our export growth strategy, see "***Our Business — Our Strategies — Expanding our global business footprint***" on page 200.

13. ***We are measured against high quality standards and stringent performance requirements by our customers. Any failure to comply with these standards may lead to order cancellations, product recalls, or liability claims, damaging our reputation and customer relationships.***

We are engaged in integrated manufacturing and supply of forged and machined components, including crankshafts, crankshaft assemblies, connecting rods, lower bracket assemblies, lever kick-starter assemblies, gear-shift lever assemblies, brake pedal assemblies, steering yokes, farm and mining equipment components and refrigerator compressor crankshafts. These products are used in various industries including the automotive sector (two-wheelers, three-wheelers, four-wheelers, commercial vehicles, and EVs) and non-automotive sectors (farming, mining, and electrical appliances). These products are required to meet precise and specific requirements including in terms of quality, measurements and tolerances of as low as 2 to 20 microns. As of September 30, 2025, our quality function is supported by a team of over 174 employees and we have also obtained key accreditations for our manufacturing facilities, including ISO 14001:2015 and ISO 45001:2018 for Facility I to V and IATF 16949:2016 for all our manufacturing facilities. Our products are subject to regular inspection and audit by existing and prospective customers to confirm adherence to agreed-upon processes and quality standards. This level of control has enabled us to achieve a rejection rate of less than 1% for our products, by our customers during the six month period ended September 30, 2025 and last three Fiscals.

Some of our customer contracts include provisions for liquidated damages and warranty claims in the event of non-compliance with, or inadequacy in performance of, our supply obligations. Any failure on our part to deliver products that meet specified quality standards or to adhere to agreed delivery timelines could expose us to liquidated damages claims and indemnity obligations, in addition to cancellation of existing and future orders.

The quality of our finished products could be adversely affected due to reasons beyond our control, including defects in raw materials that remain undetected at the time of procurement, misalignment or wear in tooling and dies, set-up errors in our machines, failure to adhere to agreed-upon processes or human error at any stage of our integrated manufacturing process from forging through heat treatment, machining and assembly. We may also be exposed to claims for liability from third parties in the event that the use of our products results in personal injury, property damage or other losses, given the safety-critical nature of our components. While we maintain product liability insurance, it may not provide coverage for all potential claims or circumstances arising from defects in our products.

Failure by us to achieve or maintain compliance with applicable quality standards including IATF 16949:2016, ISO 14001:2015, and ISO 45001:2018 or to keep up with evolving customer specifications may disrupt our ability to supply products sufficient to meet our customers' demands, lead to the cancellation of existing and future orders, result in us incurring costs for repairing or replacing defective products, conducting product recalls and paying warranty and liability claims. The supply of non-conforming products may result in our customers initiating litigation against us, which could materially harm our reputation, business, financial condition, cash flows and results of operations. For further details regarding our quality control certifications and processes, see "***Our Business — Quality Assurance and Quality Control***" on page 210.

While there have been no instances of product recalls, cancellation of existing or future orders, or material product liability or warranty claims during the six month period ended September 30, 2025, and the last three Fiscals which had an adverse impact on our operations or results of operations, we cannot assure you that such instance will not arise in the future. Any such failure could expose us to significant liability, delay deliveries, result in order cancellations or product recalls, damage our customer relationships and have a material adverse effect on our business, financial condition, results of operations and cash flows.

14. ***Our Company, Promoter and certain Directors are involved in certain regulatory and criminal proceedings. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations, financial condition and cash flows.***

There are outstanding legal proceedings involving our Company, our Directors and Promoters. These proceedings are pending at different levels of adjudication before various regulatory and judicial authorities. We could suffer significant litigation expenses in defending these claims and could be subject to significant penalties, interest, damages, compensation, or other remedies, which could adversely affect our reputation, business, results of operations, financial condition and cash flows. In relation to tax proceedings in particular, in the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax liability going forward. Further, we may not be able to quantify all claims in which we are involved, and there can be no assurance that our current provisions, if any, will be sufficient to meet any future adverse determination. Such proceedings could also divert management time and attention and consume financial resources in their defence.

A summary of the outstanding proceedings involving our Company, Directors, Promoters and Key Managerial Personnel, in accordance with requirements under the SEBI ICDR Regulations, to the extent quantifiable, have been set forth below:

Category of individuals/ entities	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million)[1]
Company						
By the Company	1	N.A	N.A.	N.A.	Nil	2.47
Against the Company	Nil	4	1	N.A.	1	10.87
Promoters						
By the Promoters	Nil	N.A.	N.A.	N.A.	Nil	N.A
Against the Promoters	1	1	1	Nil	Nil	0.14
Directors[2]						
By the Directors	Nil	N.A.	N.A.	N.A.	Nil	-
Against the Directors	2	1	Nil	N.A.	Nil	9.78

Category of individuals/ entities	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million)(1)
Key Managerial Personnel and Senior Management(2)						
By the Key Managerial Personnel and Senior Management	Nil	N.A.	Nil	N.A.	N.A.	Nil
Against the Key Managerial Personnel and Senior Management	1	N.A.	1	N.A.	N.A.	-

(1) *To the extent ascertainable and quantifiable.*
(2) *Other than our Promoters*

As of the date of this Draft Red Herring Prospectus, there are no legal proceedings involving our Group Company that may have a material impact on our Company. For further details, see "***Outstanding Litigation and Other Material Developments***" on page 356.

There can be no assurance that these legal proceedings will be decided in our favour. Any adverse decisions in such proceedings could expose us to penalties, interest, damages or other liabilities and could have a material adverse effect our reputation, business, results of operations, profitability and margins, cash flows and financial condition.

15. ***We export our products to various countries, and our revenue from contracts with customers outside India represented 9.36%, 5.11%, 6.99% and 5.82% of our total revenue from contracts with customers in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any risks arising from economic downturns, geopolitical instability and adverse changes in global trade policy in our key export markets, any of which could reduce demand for our exports.***

We have a global footprint and export our products to various countries including Hungary, France, Germany, Sweden, Brazil and USA. Our ability to maintain and grow our export operations is critical to our business strategy. In the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, our revenue from contracts with customers outside India was ₹436.19 million, ₹383.60 million, ₹470.69 million, and ₹350.56 million, respectively

The following table sets forth information regarding our revenue from outside India, including in our top jurisdictions, as a percentage of our total revenue from operations for the period/ years indicated:

(₹ in million)

Export sales	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% total revenue of operations	Amount	% total revenue of operations	Amount	% total revenue of operations	Amount	% total revenue of operations
Hungary	328.37	7.05	255.40	3.40	375.11	5.58	209.49	3.48
France	74.15	1.59	103.76	1.38	94.45	1.40	141.07	2.34
Germany	33.40	0.72	22.99	0.31	0.87	0.01	-	-
Sweden	0.07	negligible	1.22	0.02%	0.26	negligible	-	-
USA	0.20	negligible	0.11	negligible	-	-	-	-
Brazil	-	-	0.12	negligible	-	-	-	-
Total	**436.19**	**9.36**	**383.60**	**5.11**	**470.69**	**6.99**	**350.56**	**5.82**

We are subject to risks associated with our international operations, including global economic slowdowns, particularly in our key markets like Hungary and France, which together accounted for majority of our total export revenues in the six month period ended September 30, 2025. An economic downturn in these regions could lead to reduced demand for our products. Furthermore, international trade is subject to various risks such as the imposition of tariffs, duties, and other trade barriers. India's trade relationships, including free trade agreements, play a role in our competitive positioning. Any adverse changes in these agreements or the entry of destination countries into trade pacts that exclude India could place us at a competitive disadvantage.

Global geopolitical tensions, including the ongoing conflict between Russia and Ukraine and the ongoing conflict between the United States of America, Israel and Iran, have resulted in significant disruptions to global supply chains, elevated commodity prices and increased freight and logistics costs. In particular, the US-Israel-Iran conflict has effectively disrupted commercial traffic through the Strait of Hormuz, a critical global energy chokepoint through which approximately 20% of global oil and liquefied natural gas ("**LNG**") supplies transit, resulting in a significant spike in global energy prices. European natural gas benchmark prices have nearly doubled since the onset of the conflict, driven by disruption to LNG supplies from Qatar and historically low European gas storage levels.

Such elevated energy costs increase the operating expenses of our OEM and Non-OEM customers in our key European export markets, particularly Hungary and France, which could adversely impact their production volumes and consequently reduce demand for our components. In addition, elevated global gas and energy prices have also increased the operating costs of several of our domestic customers and suppliers in India, which could lead to reduced production schedules, cost-cutting measures, or delays in procurement, thereby adversely affecting our domestic sales as well. Additionally, our operations may be impacted by geopolitical tensions, for instance, the Red Sea crisis contributed to a decline in our export revenues from ₹470.69 million in Fiscal 2024 to ₹383.60 million in Fiscal 2025.

Any escalation or prolongation of these conflicts, or the outbreak of new conflicts in regions relevant to global shipping routes or our key export markets in Europe, could further disrupt our supply chain, increase our logistics costs and reduce demand from our overseas customers. While our current direct export exposure to the USA is negligible at ₹0.20 million in the six month period ended September 30, 2025, any future changes in trade policy in the USA or other jurisdictions, including the imposition of tariffs, withdrawal of trade concessions or introduction of localisation mandates, could make our products less price-competitive compared to local or alternative suppliers and adversely impact our export growth strategy. Any retaliatory trade measures by other jurisdictions could further affect global trade flows and demand for our products. While we have not faced any other material adverse effect due to international trade regulations or geopolitical instability beyond the impact referred to above, during the six month period ended September 30, 2025, and in the last three Fiscals, we cannot assure you that such risks will not arise in the future.

We are also subject to the regulatory environments of the jurisdictions to which we export. While we have not faced any material impediments to our export activities in the six month period ended September 30, 2025, or in the last three Fiscals, there is no assurance that new or stricter regulations, trade restrictions or certification requirements introduced in these jurisdictions will not affect our ability to export to those regions in the future. For further details on our export growth strategy, see "***Our Business — Our Strategies — Expanding our global business footprint***" on page 200.

16. We are exposed to credit risk from our customers, and a delay or failure to collect trade receivables on time could adversely affect our cash flows and liquidity.

We extend credit to our customers in respect of the sale of our products, which exposes us to the risk of non-receipt or delayed receipt of outstanding amounts. We typically offer credit terms ranging from 30 to 60 days to our customers. Accordingly, any delay or default in customers' payment obligations towards us could lead to an increase in our outstanding receivables and adversely affect our liquidity and working capital position.

The following table sets forth details of our trade receivables and average credit cycle for the periods/years indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Trade receivable days(1)	25	24	24	29
Average Trade Receivables (₹ Million)	648.61	502.43	451.31	474.65
Trade receivable turnover ratio(2)	14.37 times	14.94 times	14.90 times	12.70 times

(1) *Calculated as Average Trade Receivables divided by Revenue from Operations multiplied by 365 (or 183 for the six month period ended September 30, 2025)*

(2) *Trade receivable turnover ratio is calculated as revenue from operations divided by average trade receivables.*

Our trade receivable days have decreased from 29 days in Fiscal 2023 to 24 days in Fiscal 2024 and Fiscal 2025. While our collection cycle has remained stable, we cannot assure you that our trade receivable days will not increase in the future, particularly given that our sales are concentrated among a limited number of customers. In the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, our Company did not make any provision for doubtful receivables.

We cannot assure you that we will accurately assess the creditworthiness of our customers in the future or that our customers will be able to settle their obligations on time. We do not operate under long-term supply agreements that obligate our customers to purchase defined volumes, and our sales are governed by short-term purchase orders, which means our receivables are not secured by firm contractual payment commitments beyond the individual order level. Macroeconomic conditions, such as a credit crisis in the global financial system, volatility in the automotive sector, or financial difficulties faced by our key customers (including insolvency or bankruptcy), could cause them to delay payments, request modifications of payment terms, or default on their obligations. Given that our top 10 customers contributed 91.51%, 90.00%, 88.82% and 89.32% of our revenue from operations for the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively, a payment default or significant delay by even a single key customer could have a material and disproportionate impact on our cash flows and working capital. Any default may also require us to pursue recovery through litigation, which would involve additional costs and management time, and we cannot assure you of a favourable or timely outcome in such proceedings.

While there has been no instance of material payment default by our customers in the six month period ended September 30, 2025, and in the last three Fiscals that has had a material adverse effect on our operations, we cannot assure you that such instances will not arise in the future. Any failure or delay in collecting our trade receivables could require us to utilize greater amounts of our operating working capital, increase our financing costs, and have a material adverse effect on our business, financial condition, results of operations and cash flows.

For further details regarding our receivables and credit risk management, see "***Restated Financial Information – Note 8 – Trade Receivables***" on page 279 and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosures about Market Risk – Credit Risk***" on page 352.

17. We require certain licenses, permits and approvals in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations.

We are required to obtain certain approvals, registrations, permissions and licenses under various regulations, guidelines, circulars and statutes regulated by authorities such as the Government of India, State Governments and certain other regulatory and government authorities, for operating our business such as consent to operate, registration and license to work a factory, amongst others, all of which are required to undertake our operations. For further details on the nature of approvals and licenses required for our business and for information on the material approvals applied for, see "***Government and Other Material Approvals***" on page 361. Many of these approvals, including the consent to operate under environmental laws, are granted for a limited duration and require renewal from time to time. Further, some of our approvals are currently in our Company's name as a private limited company, prior to conversion as a public limited company, and we are in the process of updating such approvals to reflect our current status. These approvals, licenses, registrations and permissions may be subject to numerous conditions. In addition, we have in the past applied and may need to in the future apply for certain additional approvals as required for our business. For details of material approvals relating to our business and operations, for which applications are pending or which are pending renewal, please see "***Government and Other Approvals – Material approvals applied for but not yet received***" on page 363. We cannot assure you that such approvals and licenses will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity. In particular, any failure to comply with the terms and conditions of approvals issued under environmental laws including our consent to operate and consents issued by the relevant state pollution control boards could adversely affect our ability to obtain or renew such approvals in a timely manner, or could result in closure of our manufacturing facilities, imposition of penalties, or other regulatory action against our Company or management. While in the six month period ended September 30, 2025, and in the last three Fiscals, we have not experienced any interruption, suspension or shutdown of our operations due to the failure to obtain, renew or maintain any statutory or regulatory permit, license or approval. However, given the multiplicity of applicable regulations and authorities, we cannot assure you that delays, denials, non-renewals, cancellations, suspensions or revocations will not occur in the future. Further, there can be no assurance that we will be successful in our applications for obtaining or renewing such approvals, in a timely manner or at all. Any failure to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may adversely affect our business, financial condition, cash flows and results of operations.

18. We rely on a combination of in-house logistics and third-party service providers for our transportation requirements. Any disruption in these arrangements, unavailability of adequate infrastructure, or increase in logistics costs could impede our ability to meet delivery schedules and increase operating expenses.

We rely on a combination of in-house logistics and third-party service providers for the transportation of our raw materials and finished products. As at September 30, 2025, we maintain an in-house fleet of 20 vehicles for local and transport between our facilities in Ludhiana and Hosur. We are dependent on external logistics providers for long-distance domestic deliveries and export shipments. In the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, our total transportation, freight and forwarding expenses were ₹ 155.71 million, ₹ 264.19 million, ₹ 225.82 million and ₹ 224.09 million, respectively, representing 3.34%, 3.52%, 3.36% and 3.72% of our revenue from operations.

We engage third-party logistics providers on a need basis without long-term exclusive contracts. In Fiscals 2025, 2024, and 2023, payments to third-party service providers for road transportation amounted to ₹ 204.26 million, ₹ 178.60 million, and ₹ 172.68 million, respectively. We do not have long-term or exclusive arrangements with any of our third-party logistics providers, and written documentation with certain transporters may be limited, which could reduce our ability to enforce contractual protections or make insurance claims in the event of loss, damage, theft or delay during transit. Our inability to secure these services at commercially acceptable terms, or at all, due to factors such as strikes, shortage of drivers, or vehicle unavailability could disrupt our supply chain and adversely affect our ability to meet delivery commitments.

For our overseas customers, our export products are generally transported through sea shipments. We are exposed to risks such as port congestion, container shortages, shipping delays, and geopolitical disruptions, for instance, the Red Sea crisis contributed to a decline in our export revenues from ₹470.69 million in Fiscal 2024 to ₹383.60 million in Fiscal 2025, illustrating the potential impact of international logistics disruptions on our business. Our logistics costs are subject to fluctuations in fuel prices and regulatory changes. We may not be able to pass on any significant increase in freight charges to our customers immediately or at all, which could squeeze our profit margins.

While there has been no material instance of product damage during transportation or significant disruption in our logistics arrangements in the six month period ended September 30, 2025, and in the last three Fiscals that had a material adverse effect on our business, we cannot assure you that such instances will not occur in the future. Any failure to ensure timely delivery of our products could result in the loss of customers, cancellation of orders, or imposition of penalties, thereby adversely affecting our reputation and financial performance. For further details regarding our logistics operations, see "*Our Business – Transportation*" on page 210.

19. Our Registered Office and one of manufacturing facilities are located on premises held by us on rental or leasehold basis. If we are unable to renew the rent or lease agreements, or if we fail to comply with the terms of the government land allotment, we may be required to relocate or shut down operations at these sites.

We operate our registered office from premises located at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi - 110064, India. We do not own our registered office premises and occupy it pursuant to a rent agreement dated February 1, 2026, entered into with our Promoter Group member, Nand Lal Kothari. Additionally, one of our manufacturing facilities i.e. Facility VI, located at C-256 & C-257, Focal Point, Ludhiana, Punjab, is situated on leasehold land allotted to us by the Punjab Small Industries and Export Corporation Limited ("**PSIEC**") pursuant to a 99-year lease. The allotment of this land is subject to strict terms and conditions stipulated in the allotment letter, lease deed and applicable regulations, including restrictions on the transfer of the property without prior approval.

There can be no assurance that the rent agreement for our registered office or the lease deed for Facility VI will be renewed upon termination on favorable terms, or at all. Since our registered office is rented from a related party, any dispute within the promoter group or family could potentially impact the renewal of this agreement. Under the terms of our lease and rent agreements, we are subject to various payment and compliance requirements. Non-compliance with any such terms could potentially lead to the termination of such agreements. Further, as regards Facility VI, if we fail to comply with the terms of the PSIEC allotment or the lease deed, PSIEC may have the right to cancel the allotment or resume possession of the land.

Our inability to renew the lease agreements on commercially favorable terms, or a forced relocation due to regulatory non-compliance, could have a material adverse effect on our business, financial condition and results of operations. Any forced relocation or suspension of operations at Facility VI could require us to incur significant capital expenditure, and could result in impairment of assets, production delays, and default on delivery obligations to key customers. While there has been no instance of forced eviction or material dispute regarding the Registered Office or Facility VI in the six month period ended September 30, 2025, and in the last three Fiscals, we cannot assure you that such instances will not arise in the future. Any termination of, or failure to renew, the applicable lease or rent agreements, or any regulatory action with respect to our PSIEC allotment, could adversely affect our business, financial condition, results of operations and cash flows.

For further details regarding our properties, see "***Our Business – Material* Properties**" on page 213 and "***Restated Financial Information – Note 43 – Related Party Disclosures***" on page 304.

20. The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variation in the utilization of the Net Proceeds would be subject to shareholders' approval, which may restrict our ability to respond rapidly to changing business conditions.

The deployment of the Net Proceeds for the purposes described in the section "***Objects of the Offer***" on page 91 is based on management estimates and current market conditions. These proposed objects have not been appraised by any bank, financial institution, or independent agency. Accordingly, the funding requirements described herein are subject to change based on various factors, including the competitive environment, fluctuations in the cost of commodities, and other external economic factors which may be beyond our control. Further, while such estimates have been assessed by RBSA Advisors LLP, Independent Consultant, in their project report dated March 30, 2026, the actual costs may vary significantly due to various factors such as actual quotes received from the vendors, increases in estimated prices and fluctuations in demand.

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or the terms of any contract referred to in this Draft Red Herring Prospectus without obtaining the approval of our Shareholders through a special resolution. If we determine that the Net Proceeds are required to be deployed for purposes other than those initially disclosed, typically due to exigencies or changes in business strategy, the requirement to obtain prior shareholder approval may delay the redeployment of funds. Our Promoters would also be required to provide an exit opportunity to dissenting shareholders in such an event. This procedural requirement may restrict our ability to respond swiftly to dynamic business conditions or urgent capital requirements, which could adversely affect our business operations.

In the event of any increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the Objects of the Offer is lower than the proposed deployment, or if the estimated utilisation of the Net Proceeds is not completely met in a fiscal year, any surplus or undeployed funds shall be carried forward for deployment in subsequent periods and may be used for other existing objects or future growth opportunities, as may be determined by our Board in accordance with applicable law.

There can be no assurance that the deployment of the Net Proceeds will occur within the timelines or at the costs described in the "***Objects of the Offer***" section, or that the anticipated returns from such deployment will be realised. Any revision to the deployment plan, delay in implementation, or failure to achieve the intended objects could adversely affect our business, growth prospects, results of operations, financial condition and cash flows.

21. Our business requires working capital and any failure or inability to arrange adequate working capital to meet our requirements on commercially acceptable terms could constrain our day-to-day operations.

Our business is capital-intensive and requires significant working capital for day-to-day operations, including to finance the purchase of raw materials (primarily steel) and manufacturing of our products, before we receive payments from our customer. Our working capital requirements can also increase if the sales terms do not include advance payments, when the payment is stipulated at the time of delivery of the final product or when we have to grant credit to our customers. We currently meet our working capital requirements through a mix of internal accruals and working capital facilities from banks and financial institutions.

As of September 30, 2025, our sanctioned working capital facilities from the banks aggregated to ₹ 1,035.00 million (of which ₹1,025.00 million is for fund-based facilities and ₹10.00 million is for non-fund based facilities). Our inability to utilize these facilities effectively, or to secure additional financing on favorable terms when required, could impact our ability to operate efficiently.

The following table sets forth the details of our working capital for the period/ years indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Working capital (₹ million)	455.68	149.17	291.51	191.60
Inventory days(1)	73.00	89.00	82.00	75.00
Trade Receivables Days(2)	25.00	24.00	24.00	29.00
Trade Payables Days(3)	49.00	55.00	51.00	48.00

Notes:

(1) *For Fiscal 2025, 2024, 2023: Inventory days are calculated as average inventory divided by cost of goods sold ("**COGS**") multiplied by 365 days. For the six month period ended September 30, 2025: Inventory days are calculated as average inventory divided by COGS multiplied by 183 days.*

(2) *For Fiscal 2025, 2024, 2023: Trade Receivables Days are calculated as average trade receivables divided by revenue from operations multiplied by 365 days. For six month period ended September 30, 2025: Trade receivables days are calculated as average trade receivables divided by revenue from operations multiplied by 183 days.*

(3) *For Fiscal 2025, 2024, 2023: Trade Payables Days are calculated as trade payable divided by COGS multiplied by 365 days. For six month period ended September 30, 2025: Trade payable days are calculated as trade payable divided by COGS multiplied by 183 days.*

Our working capital requirements are driven by three principal components: (i) inventory levels, which reflect our need to maintain adequate raw material stocks given steel procurement lead times and customer-approved supplier requirements; (ii) trade receivables, reflecting credit extended to customers; and (iii) trade payables, reflecting credit received from suppliers. Our trade payable days of 48–55 days partially offset our combined inventory and receivables cycle.

While there has been no instance in the six month period ended September 30, 2025, and in the last three Fiscals where we were unable to meet our working capital requirements or faced a default in our working capital obligations which materially affected our business, there is no assurance that such instances will not arise in the future. Any failure to arrange adequate working capital on commercially acceptable terms could have a material adverse effect on our business, financial condition, results of operations and cash flows. For further details regarding our working capital and financial indebtedness, see "***Financial Indebtedness***" on page 325 and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – LIQUIDITY AND CAPITAL RESOURCES***" on page 348.

22. We operate in a highly fragmented industry and face competition from both domestic and international players. Our inability to compete effectively on factors such as technology, pricing, quality, and delivery timelines could result in a loss of market share.

We operate in the precision forged and machined components industry, which is highly competitive, fragmented and capital intensive. We compete with various domestic and international manufacturers to retain our existing client relationships and pursue new business opportunities. The industry is characterized by entry barriers, which include high capital requirements for setting up manufacturing facilities, the need to meet stringent quality and compliance standards, and the challenge of establishing strong, long-term relationships with original equipment manufacturers (OEMs). As per the CARE Report, our primary peers domestically in the listed space include Ramkrishna Forgings Limited, Kalyani Forge Limited, Sansera Engineering Limited and Rolex Rings Limited.

The key competitive factor in this sector is primarily based on factors such as product quality, cost-effectiveness, and delivery performance (QCD), alongside technological expertise, R&D capabilities, and supply chain efficiency. Some of our competitors may have certain advantages over us, including greater financial, technical, and marketing resources, larger installed capacities, and broader geographical presence. These advantages could enable them to finance acquisitions and fund international growth more effectively, respond more quickly to technological changes and industry trends, and offer more diversified product portfolios to OEMs, potentially bundling products to displace us. They may also be able to produce similar or equivalent products at lower costs, thereby exerting pricing pressure on us. Consequently, we may be required to reduce our prices to remain competitive, which could adversely affect our profit margins.

Increased competition may result in pricing pressures, which could adversely affect our revenue and profit margins. Our inability to compete effectively with existing or new market players could lead to a loss of market share, a reduction in business from our key customers, or difficulty in securing new contracts. Any failure to maintain our strong legacy relationships with OEMs or to consistently meet their stringent quality and delivery expectations could place us at a significant competitive disadvantage. Consequently, our inability to compete effectively could have a material adverse effect on our business, results of operations, and financial condition. For further details regarding our competition and industry landscape, see "***Industry Overview – Competitive Landscape***" on page 180 and "***Our Business – Competition***" on page 213.

23. Our forging and machining operations are energy-intensive, and power, fuel and water costs constituted 5.31%, 5.49%, 5.35% and 4.87% of our total expenses in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any disruption in supply of such utilities or increase in tariffs of such utilities could adversely affect our production costs and profitability.

We require substantial power, fuel and water for undertaking our manufacturing processes at our facilities. In the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, our power and fuel expenses (net) were ₹233.32 million, ₹392.04 million, ₹345.14 million, and ₹285.13 million, respectively.

The following table sets forth our power and fuel expenses (net) for the period/years indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Power, fuel and water expenses (net)* (₹ million)	233.32	392.04	345.14	285.13
Power, fuel and water expenses as a % of total expenses	5.31	5.49	5.35	4.87

* *Power, fuel and water expenses are presented net of any subsidies receivable from the Government, as applicable.*

We primarily rely on electricity supplied by state electricity utilities in Punjab and Tamil Nadu for our manufacturing operations. In Fiscal 2025, the electricity cost purchased from the state electricity utility of Punjab was ₹241.13 million, and from the state electricity utility of Tamil Nadu was ₹65.16 million. We propose to set up a solar power plant at Village Buttar Bakhua, Tehsil Gidderbaha, District Sri Mukatsar Sahib, Punjab, India, from the Net Proceeds which is being set by the Company with the objective of reducing our power and fuel costs, reducing our carbon footprint and optimizing resources.

Any significant increase in the cost of electricity or water supplied by state utilities, to the extent that such increases cannot be passed on to our customers, could adversely affect our production costs and profitability. Interruptions in the supply of electricity or water may lead to production stoppages, higher costs associated with restarting operations, and loss of work-in-progress. To mitigate power failures, we may need to rely on diesel generator sets, the cost of which is significantly higher than grid electricity. Further, as and when our Proposed Forging Facility and Proposed Machining Facility are commissioned, our requirements for power, fuel and water will increase, and we cannot assure you that we will be able to secure such additional supply on commercially viable terms or at all. Sustained increases in power tariffs or frequent supply disruptions may also require us to invest in captive power generation capacity, resulting in incremental capital expenditure and potentially impacting our results of operations.

While there has been no instance of any material disruption in power supply or significant increase in power tariffs that has had a material adverse effect on our business operations or financial condition in the six month period ended September 30, 2025 and in Fiscals 2025, 2024, and 2023, we cannot assure you that such instances will not arise in the future. Any significant disruption in supply or increase in the cost of power, fuel or water could adversely affect our business, financial condition, results of operations and cash flows.

24. We have entered into, and may continue to enter into, related party transactions in the future, which may involve potential conflicts of interest that could be unfavorable to us compared to transactions with unrelated third parties.

We have engaged in related party transactions in the past and may continue to do so in the future. Such transactions have been undertaken on an arm’s length basis and in compliance with the Companies Act and other applicable regulatory requirements governing their evaluation and approval. Following the listing of our Equity Shares, any related party transactions will also require approval of the Board or shareholders, as mandated under the Companies Act, the SEBI Listing Regulations and other applicable laws. Our related party transactions include, amongst others, unsecured loans taken from and repaid to related parties, rent paid and received in respect of related party premises, remuneration paid to Promoters and related parties and interest paid on unsecured related party loans.

Future related party transactions may give rise to potential conflicts of interest, which could be detrimental to our business and may not align with the interests of prospective investors. Further, we cannot assure you that the requisite shareholder approvals will be obtained for all material related party transactions, and as a result, certain transactions that could be beneficial to us may not proceed. For further details regarding our related party transactions, see “***Summary of Related Party Transactions***” and “***Restated Financial Information – Note 43 – Related Party Disclosures***” on pages 68 and 304 respectively. While all such transactions have been and will continue to be conducted on an arm's length basis and in accordance with applicable law, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated third parties. Any future-related party transactions that involve conflicts of interest, individually or in the aggregate, could have an adverse effect on our business, financial condition, results of operations and cash flows.

25. Unforeseen environmental costs or liabilities, or our failure to comply with applicable environmental laws and regulations, could result in penalties, suspension of our operating consents, and reputational damage, and adversely affect our business, financial condition, results of operations and cash flows.

Environmental laws and regulations in India impose stringent standards our manufacturing operations regarding, among other things, the handling of waste materials, effluent discharge, and air emissions. For example, the laws in India limit the amount of hazardous and pollutant discharge that our manufacturing plants may release into the air and water. The discharge of chemical or other hazardous substances into the air, soil or water beyond permissible limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges. We are also required to obtain and comply with environmental permits for certain of our operations, including approvals under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016. Some of our manufacturing facilities (Facility I to V) hold ISO 14001:2015 accreditation reflecting our commitment to recognized environmental management standards.

Our manufacturing facilities and operations must comply with these approvals, permits, licenses and are subject to regular administrative inspections by the relevant State Pollution Control Boards in Punjab and Tamil Nadu. While we have not had any instances of non-compliances in relation to environmental laws in the six month period ended September 30, 2025, and in the last three, there can be no assurance we will continue to be compliant in future. Any failure to comply with applicable environmental laws and conditions of our environmental approvals could impact our ability to obtain or renew our consents to operate in respect of our manufacturing facilities, which could result in the suspension or cancellation of our operations at those facilities. Additionally, we cannot predict the initiation or outcome of any such inspections by relevant authorities.

The improper disposal or improper recycling of manufacturing discharge or gas or liquid leaks, may result in the release of hazardous waste material into the environment, posing risks of toxic exposure to humans and potential contamination of natural habitats. These standards expose us to the risk of substantial environmental costs and liabilities, including liabilities associated with historical activities. Adverse publicity regarding our environmental cost, or any future scrutiny, investigation, inspection or audit of our manufacturing operations and processes could result in fines, public reprimands, and damage to our reputation, significant time and attention from our management, costs for inspections and remediation of affected sites.

While we have not had any instances of non-compliance with environmental laws that have had a material adverse effect on our business in the six month period ended September 30, 2025 and in the last three Fiscals, there can be no assurance that we will remain compliant in the future or that unforeseen environmental costs or liabilities will not arise. Any such non-compliance, liability or cost could adversely affect our business, financial condition, results of operations and cash flows. For further details, see "***Key Industry Regulations and Policies***" on page 214.

26. A substantial portion of our assets are hypothecated or mortgaged in favor of our lenders as security for our borrowings, and any inability to comply with repayment and other covenants in our financing agreements could trigger events of default, penalties, or acceleration of repayment obligations, potentially leading to a loss of critical business assets.

As of March 15, 2026, our total outstanding borrowings amounted to ₹ 1,137.76 million, a significant portion of which is secured. Our Debt-to-Equity ratio has improved from 1.29x in Fiscal 2023 to 0.83x in Fiscal 2024 to 0.63x in Fiscal 2025 to 0.45x in the six month period ended September 30, 2025, and our Interest Coverage Ratio has improved from

2.38x in Fiscal 2023 to 3.05x in Fiscal 2024 to 3.99x in Fiscal 2025 to 5.56x in the six month period ended September 30, 2025, reflecting our ongoing deleveraging. However, our borrowings continue to be secured by significant charges over our manufacturing assets, and any failure to service our obligations could result in enforcement of such security.

These borrowings are secured, among other things, by a first pari-passu charge over our entire movable fixed assets, including plant and machinery, and a second pari-passu charge over our entire current assets, including inventories, book debts, and other receivables. Furthermore, we have created mortgages over our owned manufacturing facilities. Additionally, our vehicle loans are secured by the hypothecation of the respective vehicles.

We have entered into various financing arrangements with lenders for short-term and long-term facilities to fund our working capital requirements, purchase capital goods, and acquire commercial vehicles. Our ability to pay interest and repay the principal on our indebtedness is dependent upon our ability to generate sufficient cash flows. Any additional indebtedness we incur may require us to dedicate a substantial portion of our cash flow from operations to service our debt, thereby reducing funds available for capital expenditure and limiting our flexibility in planning for or reacting to changes in our business, competitive pressures and market conditions.

Our financing agreements contain certain restrictive covenants that may limit our operational and financial flexibility. These covenants typically require us to obtain prior written consent from our lenders for various corporate actions, including declaring or paying dividends, altering our capital structure or issuing new equity shares, undertaking any merger, amalgamation, or corporate restructuring, changing our management or the composition of our Board of Directors, amending our Memorandum and Articles of Association, or incurring additional financial indebtedness. Additionally, these agreements require us to maintain certain financial ratios such as debt-to-equity ratio, current ratio, fixed asset coverage ratio and total debt to adjusted tangible net worth. Our Promoters' shareholding is also subject to restrictions under certain financing arrangements. We cannot assure you that we will be able to comply with these financial and other covenants at all times or obtain the necessary consents from our lenders in a timely manner, or at all.

A failure to observe these covenants or to repay our loans in accordance with the agreed repayment schedule could be declared an event of default under our financing agreements. Upon the occurrence of an event of default, our lenders may declare all outstanding amounts due and payable immediately, terminate their commitment to lend further funds, and there could be cross-defaults under other financing arrangements. Further, our lenders may exercise their rights to enforce the security created in their favor. This enforcement could involve the seizure and sale of our critical manufacturing assets, land, and buildings to recover the outstanding dues. Any such enforcement action by our lenders would disrupt our manufacturing operations, lead to a loss of key assets, and have a material adverse effect on our business, reputation, financial condition, and results of operations. While we have received all necessary consents from our lenders in connection with this Offer as of the date of this Draft Red Herring Prospectus, there can be no assurance that we will be able to obtain such consents for future actions or maintain compliance with all financial covenants. For further details regarding our financial indebtedness and the security created, see *"**Financial Indebtedness**"* on page 325.

27. An inability to maintain or improve our capacity utilization levels at our manufacturing facilities could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our capacity utilization depends on factors such as the composition of our product portfolio, our success in obtaining customer orders, the uninterrupted availability of raw materials, and prevailing industry and market conditions. A reduction in demand for our products, extended disruptions at our manufacturing facilities, or any inability to secure adequate raw materials could lead to lower capacity utilization and prevent us from operating our current or future manufacturing facilities at optimal levels.

The tables below set forth certain information relating to the installed capacity, available capacity, actual production and capacity utilisation of our manufacturing facilities for the period/years indicated:

Products	Particulars	Unit of Measurement	For the six month period ended September 30, 2025*	Fiscal 2025*	Fiscal 2024*	Fiscal 2023*
Forged Components	Installed Capacity	Metric Tons per annum	21,050	40,100	40,100	36,900
	Actual Production	Metric Tons per annum	16,600	30,382	26,765	21,049
	Capacity Utilization	%	78.86	75.77	66.75	57.04
Machined Components	Installed Capacity	No. of Pieces	2,59,94,970	4,23,86,300	3,85,23,914	3,57,86,240
	Actual Production	No. of Pieces	2,11,23,067	3,54,30,541	3,12,34,447	2,92,95,987
	Capacity Utilization	%	81.26	83.59	81.08	81.86

**As certified by Deepankar Sharma, Independent Chartered Engineer, pursuant to certificate dated March 30, 2026.*
Notes:

(1) *The information relating to the installed capacity as of the dates included above is based on various assumptions and estimates that have been taken into account for calculation of the installed capacity.*

(2) *The assumptions and estimates include the standard capacity calculation practice of auto parts manufacturing industry and the following is taken into account:*
   - (i) *Number of working days in a fiscal year – 300;*
   - (ii) *Number of working days in a month – 25;*
   - (iii) *Number of working hours in a day – 22 hours; and*
   - (iv) *For the six month period ended September 30, 2025, the installed capacity figures represent the proportionate capacity available for six months.*

(3) *The information relating to the actual production as of the dates included above are based on the examination of the internal production record provided by the Company, explanations provided by the management, the period during which the manufacturing facilities operate in a fiscal year expected operations, availability of raw materials, downtime resulting from unscheduled breakdowns, as well as expected operational efficiencies.*

We may not be able to achieve and maintain optimum capacity utilization which could negatively affect our profitability. If we are unable to fully utilize our available capacity to meet customer demand or experience low levels of utilization, our business and financial position may be negatively impacted. While there have been no instances in the six month period ended September 30, 2025, and the last three Fiscals where significant under-utilization had a material adverse impact on our business operations, we cannot guarantee that we will be able to achieve optimal capacity utilization in the future. Our capacity utilization is affected by market demand for our products and specific quality requirements for individual products. In case of oversupply or a lack of demand, we may not be able to utilize our expanded capacity efficiently. Utilization is also impacted by shutdowns of our manufacturing facilities. For further details, see "***– Any disruption to the steady and regular supply of workforce for our operations, including due to strikes, work stoppages or increased wage demands, could disrupt our production schedules and increase labour costs.***" on page 47.

28. A modest share of our revenue and purchases are denominated in foreign currencies. As a result, adverse foreign currency exchange rate fluctuations could adversely impact our business, results of operation and financial condition.

We generate only a modest share of our revenue and procure a limited share of our materials from overseas which exposes usto fluctuation in currency to the extent our revenues and costs are denominated in a currency other than Indian Rupee. Set out below is our revenue from operations from outside India and the cost of our material purchased from outside India:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations from outside India (in ₹ million)	436.19	383.60	470.69	350.56
Revenue from operations from outside India as a % of revenues from operations	9.84	5.41	7.41	6.18
Cost of raw materials (including stores and spares) purchased from outside India (in ₹ million)	1.90	1.23	2.22	6.98
Cost of materials purchased from outside India as a % of total consumption	0.08	0.03	0.06	0.19

While we believe that our import of materials acts as a natural hedge for our exports, any adverse fluctuation in foreign exchange may increase our costs of operations, adversely affect our margins, and consequently our profitability. While we have forex transactions policy in place and periodically avail forward cover to minimise the foreign exchange related risks, we may experience foreign exchange losses and gains in respect of transactions dominated in foreign currencies. Certain jurisdictions in which we operate may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realisation of revenue. 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 exposure and may have an adverse effect on our results of operations and cash flow. Any adverse fluctuations of the Indian Rupee vis-à-vis foreign currency to which we have an exposure cannot be accurately predicted and our attempts to mitigate the adverse effects of exchange rate fluctuations may not be successful, which may adversely affect our business, results of operations and financial condition. Set out below is the gain on foreign exchange variation (net) during the 6 months ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net Foreign Exchange Gain/(Loss) (₹ million)	(0.19)	2.67	(3.57)	(6.21)

For further details on our foreign currency exposure, see "***Restated Financial Information – Note 47 – Financial Risk Management***" on page 311 and "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Quantitative and Qualitative Disclosures about Market Risk – Foreign Currency Risk***" on page 353.

29. ***We had contingent liabilities which have not been provided for in our financial statements. If these materialize, they could result in an unexpected outflow of resources and liquidity strain.***

As of the six month period ended on September 30, 2025, we have certain contingent liabilities that have not been provided for in our financial statements, as they are considered possible obligations whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within our control. As per Ind AS 37 – "*Provisions, Contingent Liabilities and Contingent Assets*", we have disclosed these amounts in our Restated Financial Information.

The following table sets forth the details of our contingent liabilities as of the dates indicated:

(*₹ in million*)

Particulars	Six month period ended September 30, 2025	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
Contingent liabilities:				
a) Claims against the Company not acknowledged as debt				
(i) GST Demand (Net of deposit paid)#	0.08	0.08	Nil	Nil
(ii) Income Tax Demand*	2.79	2.79	2.79	2.79
# The above matters are subject to legal proceedings in the ordinary course of business. On the basis of current status of the cases and as per legal advice obtained, wherever applicable, along with the opinion of management, when ultimately concluded will not have material effect on the results of operations or financial operations of the Company. * According to us Income Tax Demands shown on the portal is incorrect. We have also replied against the outstanding demand raised by the department for the removal of the said demand.				
b) Bank Guarantee	1.11	Nil	1.01	1.01
c) Other money for which the Company is contingently liable				
1. Letter of Credit	Nil	Nil	Nil	Nil
2. Bills Discounted	711.62	526.95	453.32	357.40
Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Tangible assets	Nil	Nil	Nil	Nil
Intangible assets	Nil	Nil	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil	Nil	Nil
(c) Other commitments (specify nature)	Nil	Nil	Nil	Nil

* *To the extent quantifiable*

Our total contingent liabilities have grown from ₹361.20 million as of March 31, 2023 to ₹715.60 million as of September 30, 2025, approximately doubling over the period. This growth is predominantly driven by bills discounted, which constitutes 99.44% of our total contingent liabilities as of September 30, 2025. The income tax demand of ₹2.79 million and the GST demand of ₹0.08 million represent claims against the Company not acknowledged as debt and are being contested before the relevant authorities. For further details on outstanding tax proceedings, see "***Outstanding Litigation and Other Material Developments***" on page 356.

We cannot assure you that these contingent liabilities will not materialise, or that we will not incur similar or increased levels of contingent liabilities in future. If a significant portion of the bills discounted crystallizes due to customer defaults, or if the tax demands are determined against us, we may be required to fulfil these payment obligations, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. For further details on our contingent liabilities, see "***Restated Financial Information – Note 38 – Contingent Liabilities and Commitments***" on page 302.

30. ***We are subject to various statutory payment obligations and any non-compliance or delay in discharge of such obligations could adversely affect our business, reputation and financial condition.***

In the ordinary course of business, our Company is required to discharge certain statutory obligations, including contributions to the Employee State Insurance, Employee Provident Fund, income tax payments, tax deductions at source, and professional taxes. The table below provides details of the statutory dues paid by our Company during the six month period ended September 30, 2025, and for the last three Fiscals

Particulars	No. of employees to whom payable				Statutory dues paid (₹ in million)			
	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	3,148	2,692	2,462	2,360	49.80	86.14	77.25	66.06
Employee State Insurance Act, 1948	2,873	2,424	2,219	2,185	8.50	14.54	12.87	11.38
Professional Taxes	358	279	260	229	0.77	1.24	1.04	0.76
Income Tax Act, 1961 (TDS on Salary)	41	63	69	64	11.35	17.64	24.41	27.03
Income Tax Act, 1961 (TDS on Others)	-	-	-	-	11.22	16.02	20.20	17.71
Income Tax Act, 1961 (TCS)	-	-	-	-	1.41	2.24	0.73	0.76
Goods and Services Tax Act, 2017	-	-	-	-	1,564.52	2,770.19	2,360.66	2,197.45

For the six month period ended September 30, 2025 and for the last three Fiscals, there are no statutory dues that remain unpaid. During this period, we experienced a single delay in Fiscal 2025 in the remittance of Employees' Provident Fund amounting to ₹0.02 million, which was attributable to technical issues. However, we cannot assure you that no such delays will occur in the future. Any delay in payment of statutory dues could result in the levy of interest and penalties by the relevant authorities and, in cases of persistent non-compliance, may lead to regulatory action against our Company, which could adversely affect our reputation, business, financial condition, results of operations and cash flows.

31. ***We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain discrepancies in the corporate records of our Company and the forms filed with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.***

Certain of our Company's corporate records are not traceable as the relevant information was not available in the records maintained by our Company or on the online portal of the Ministry of Corporate Affairs ("MCA Portal") or in the physical records available at the RoC. For instance, we are unable to trace certain corporate records such as Form 23Bs required to be filed in relation to appointment of statutory auditors since incorporation until 2006, Form 32 required to be filed in relation to appointment of Gopal Krishan Kothari as a Managing Director on April 4, 1988, challans in relation to certain Form 2s filed with the RoC, and certain annual returns filed by the Company. We have also conducted searches through an independent practising company secretary, M/s. H. S. Nijher & Associates ("**PCS**"), at the office of the RoC, and reliance has been placed on the certificate dated March 30, 2026, issued by the PCS. In this regard, we have also sent an intimation through our letter dated March 30, 2026 (filed as an attachment to e-Form GNL-2 dated March 30, 2026 vide SRN: AC2827429) to the RoC informing them of the missing form filings of the Company. Similarly, we are unable to trace certain share transfer forms, and therefore, we have relied on the signed minutes of the Board meetings, annual returns and statutory registers for the transfers to the extent available. While we have conducted an extensive search to trace our records, and a search in the records of the RoC, we have not been able to retrieve the aforementioned documents. We believe that the aforesaid records have been duly executed and requisite forms were filed in a timely manner, however, we have not been able to obtain copies of all these documents from the RoC or otherwise. Our Company has also filed e-Form GNL-2 vide SRN AC2436573 dated February 27, 2026 for disclosing missing details of share transfers/transmissions in Form Schedule V (FY 1998-99) and e-Form MGT-7 (FY 2018-19), e-Form GNL-2 vide SRN AC2438042 dated February 27, 2026 for disclosing details of board meetings held during FY 2022-23, 2019-20, 2018-19, 2017-18 and 2014-15 which were inadvertently not reported in the corresponding annual returns and an e-Form GNL-1 with the RoC on March 30, 2026 vide SRN AC2835188 dated March 30, 2026, seeking rectification of certain defects. As on the date of this Draft Red Herring Prospectus, the application is pending. Any proceedings that may be initiated in this regard, or any adverse outcome of such proceedings, could adversely impact our reputation, business and our results of operations.

There may be instances of delay by our Company in filing of certain e-forms for corporate actions. These include e-form filings with the RoC in relation to annual filings or resolutions for appointment of directors. In such situations, our Company may have to make the relevant filings along with the required additional fee for a delayed filing. For instance, in the past, we have made delayed submissions of Forms AOC-4, Forms MGT-7, and Form MGT-14 with respect to a resolution in relation to appointment of a Director alongwith applicable additional fees. Although no regulatory action/ litigation is pending against us in relation to untraceable secretarial and other corporate records and documents and delays in our corporate filings, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect.

32. ***Our inability to adapt to evolving industry trends, such as the shift towards electric vehicles and lightweight aluminum parts, or to successfully innovate new products, could result in the obsolescence of our current product portfolio and loss of competitive advantage.***

The automotive and non-automotive component industries are characterized by rapid technological advancements, evolving customer requirements, and continual introduction of new products. Our ability to anticipate these shifts and to develop new, technologically advanced products in a timely and cost-effective manner is critical to our future growth. We are currently pursuing a strategy of broadening our product portfolio and diversifying into new segments, including lightweight aluminum forged and machined components and, subject to confirmation, into non-automotive sectors such as oil and gas, power generation, and wind turbines. These initiatives require familiarity with complex product specifications and technologies with which we may have limited prior experience. The development of such advanced components involves long lead times, significant capital investment, and uncertain outcomes. If we fail to accurately assess emerging market needs or are unable to introduce products aligned with customer expectations, we may risk losing existing or prospective business to competitors that are more agile in responding to such trends.

Rapid technological progression and shifts in industry preferences, in particular the increasing demand for lightweight materials and the ongoing transition from internal combustion engines to electric vehicles may render our existing machinery, processes, or product offerings less competitive. Keeping pace with these changes may require substantial capital expenditure to upgrade equipment or manufacturing capabilities, which could place pressure on our cash flows. During the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, we have invested ₹161.09 million, ₹538.12 million, ₹491.18 million and ₹374.26 million accounting for 3.46%, 7.17%, 7.31% and 6.21% of our revenue from operations, respectively towards capital expenditure for upgrading our forging, and machining capabilities. If competitors adopt superior technologies or more efficient production methods and we are unable to make corresponding improvements due to financial, operational or technical constraints, our competitive position may weaken.

Although, during the six month period ended September 30, 2025 and in the last three Fiscals, we have not experienced any material product obsolescence or loss of business attributable to technological redundancy, we cannot assure you that similar circumstances will not arise in the future as industry requirements continue to evolve. Any failure to adapt to technological change or to successfully commercialise new product offerings could adversely affect our business, financial condition, results of operations and cash flows.

For further details regarding our business strategy, see "***Our Business – Our Strategies – Foraying into lightweight aluminium forged and machined components***" on page 198.

33. ***We may incur losses that are not covered, or are only partially covered, under our insurance policies, which could adversely affect our business and financial condition.***

Our operations are subject to various hazards and risks inherent in the manufacturing of precision forged and safety critical machined-components, including accidents, fires, natural disasters, machinery breakdowns, and other unforeseen events. We maintain insurance policies that we believe are customary for companies operating in our industry, such as a standard fire and special perils policy (covering building, plant and machinery, and stocks), burglary and housebreaking policy, marine open policy for transit of goods, commercial general liability insurance, and group personal accident policies. While our insurance coverage has exceeded 100% of our total insurable assets across all periods indicated below, our insurance policies may not cover all categories of risk. In particular, certain events such as business interruption, loss of profit, acts of terrorism, or certain natural calamities, which may not be fully covered or for which we may not be insured at all. Furthermore, we may be subject to claims resulting from product defects or negligence that exceed the limits of our insurance coverage.

The following table sets forth the details of our insurance coverage relative to our total insurable assets for the periods indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total Coverage of Insurance Policies (₹ million)	4,936.50	4,936.50	4,454.00	4,190.00
Percentage of Total Insurable Assets (%)*	184.32	183.35	198.02	204.42

* *Insurable assets includes property, plant and equipment (excluding freehold Land), inventories and capital work in progress.*

Our insurance coverage as a percentage of total insurable assets exceeds 100% across all completed periods, as our policies are written on a reinstatement value basis, reflecting the estimated cost of replacing assets at current prices, rather than on a book value basis. Notwithstanding the coverage ratios, there is no assurance that our insurance policies will be sufficient to cover the actual financial loss suffered in the event of a major catastrophe, nor that all claims will be honoured fully, in part or on time. No insurance claims were made during the six month period ended September 30, 2025, or in the preceding three fiscal years.

Our policies are subject to customary deductibles, exclusions and limitations, and may not cover all events or types of damage. As our insurance policies require periodic renewal, there is also a risk that renewals may not be obtained on time, or on terms acceptable to us, or at all. Further, if our insurance carriers change the terms of our policies in a manner unfavourable to us, our insurance costs could increase. Additionally, any claim once made could lead to an increase in our insurance premiums upon renewal.

Although we have not, during the six month period ended September 30, 2025, or in the last three Fiscals, experienced any claim that exceeded our coverage limits or encountered any denial of insurance, we cannot guarantee that similar circumstances will not arise in the future. Any loss or liability that is uninsured, insufficiently insured, or for which an insurance claim is rejected could have to be borne by us directly, which may adversely affect our business, results of operations, cash flows and financial condition. For further details regarding our insurance policies, see "***Our Business – Health and Employee Safety***" on page 211.

34. ***We have availed certain unsecured borrowings which are repayable on demand. If we are unable to repay the outstanding amount of such borrowings upon demand, it could trigger events of default and cross-defaults in our other financing arrangements, thereby materially and adversely affecting our business, results of operations, and financial condition.***

As of March 15, 2026, our Company had outstanding unsecured loans aggregating to ₹198.12 million, which have been extended by our Promoters, members of our Promoter Group, and an entity controlled by one of our Directors. These loans are not governed by definitive loan agreements with fixed repayment schedules; rather, they are repayable on demand and can be recalled by the lenders at any time.

We cannot assure you that our Promoters, the relevant members of our Promoter Group or the entity controlled by one of our Directors will not demand immediate repayment of these unsecured loans. In the event these lenders seek a sudden repayment, our Company would be required to utilize its existing cash reserves or find alternative sources of financing to honor such obligations. Such alternative financing may not be available on commercially reasonable terms, or at all, particularly if the demand coincides with a period of liquidity stress. There can be no assurance that we will be able to repay these unsecured borrowings upon demand, or that we will be able to arrange adequate alternative financing in a timely manner or on commercially acceptable terms. Any failure to service these obligations could lead to acceleration of payments under our other financing arrangements and have a material adverse effect on our business, financial condition, results of operations and cash flows.

For further details regarding our outstanding borrowings, see "***Financial Indebtedness***" on page 325 and "***Other Financial Information – Related Party Transactions***" on page 321.

35. ***We have substantial contract liabilities representing our obligations to transfer goods or services to customers for which we have received consideration. Our failure to fulfill these obligations could result in revenue loss, customer dissatisfaction and potential penalties.***

We have recorded contract liabilities representing our obligation to transfer goods or services to customers for which we have received consideration. While these balances are currently immaterial, any failure to fulfill these obligations could result in revenue loss, customer dissatisfaction and potential penalties.

We record contract liabilities in our financial statements, which represent our obligation to transfer goods or services to a customer for which we have received consideration (or for which consideration is due) from the customer. The following table sets forth the details of our contract liabilities as of the dates indicated:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Contract Liabilities (₹ million)	3.94	5.61	0.08	4.57
Contract Liabilities as % of Total Current Liabilities	0.24	0.35	0.01	0.36

These liabilities primarily arise from advances received from our customers for future supplies. Our ability to recognize revenue from these liabilities depends on our successful delivery of goods and services in accordance with the agreed terms and timelines. If we are unable to fulfill our obligations due to production delays, supply chain disruptions, or any other operational failures, we may be required to refund these advances or face penalties under our customer agreements.

While we have not faced any material penalties or contract terminations due to non-fulfillment of obligations as of the six month period ended September 30, 2025 and in the last three Fiscals, we cannot assure you that we will be able to meet all our contractual obligations in the future. Any failure to do so could have an adverse effect on our reputation, business, and financial condition.

For further details on our contract liabilities and revenue recognition policies, see "***Restated Financial Information – Note 22 – Other Current Liabilities and Note 22.1- Movement of Contract Liabilities***" on page ●}.

36. Our Promoters, Gopal Krishan Kothari and Amit Kothari, have furnished personal guarantees for certain loan facilities availed by our Company. In the event of any default by us in repayment of such loans, the repayment obligations could become enforceable against our Promoters. This may affect their ability to fulfill their obligations as Promoters and could, in turn, have an adverse effect on our business, results of operations, financial condition, and cash flows.

Our Promoters have provided personal guarantees to secure a portion of our existing borrowings and may be required to continue providing such guarantees or other forms of security even after the listing of our Equity Shares. As of March 15, 2026, borrowings of ₹15.68 million are secured by personal guarantees from our Promoters. Any default or failure by our Company to repay these borrowings on time, or at all, could result in enforcement of repayment obligations against our Promoters. Such enforcement could adversely affect the financial position of our Promoters and may impact their ability to hold or retain their shareholding in our Company. This could affect their ability to effectively fulfill their roles and responsibilities as Promoters, which in turn may have an adverse impact on our business, results of operations, and financial condition.

Additionally, if our Promoters were to withdraw or terminate these remaining guarantees, our lenders may require alternative guarantees, additional security, demand repayment of outstanding amounts, or terminate the outstanding facilities altogether. We may be unable to secure guarantees acceptable to the lenders, which could necessitate repayment of outstanding borrowings or the raising of additional capital. Such circumstances could materially and adversely affect our business, results of operations, financial condition, and cash flows. For further details, see "***History and Certain Corporate Matters***" on page 220.

There can be no assurance that our Promoters will continue to provide personal guarantees in the future, or that our lenders will accept alternative guarantees on equivalent terms if the existing guarantees are withdrawn. Any such development could materially and adversely affect our business, results of operations, financial condition and cash flows.

37. We avail benefits under certain export promotion schemes, including the Duty Drawback Scheme and may avail benefits under the Export Promotion Capital Goods Scheme. Our inability to meet the prescribed export obligations or the withdrawal of such benefits could increase our tax liabilities and operating costs

We avail benefits under various export promotion schemes enacted by the Government of India, including the Duty Drawback Scheme and the Remission of Duties and Taxes on Exported Products Scheme, and hold a valid 'One Star Export House' certificate. We may also avail benefits under the Export Promotion Capital Goods Scheme. Our inability to meet the prescribed export obligations or any withdrawal or modification of such benefits could increase our tax liabilities and operating costs and adversely affect our business, financial condition, results of operations and cash flows.

We are eligible to claim duty drawback and other export incentives on our exported products. Under the EPCG Scheme, we are permitted to import capital goods at concessional or zero customs duty, subject to the fulfillment of a specific export obligation equivalent to a multiple of the duty saved within a prescribed timeframe (typically six years).

If we fail to meet these export obligations within the prescribed timelines, or if we fail to comply with the conditions of the Duty Drawback Scheme or other export incentives, we may be liable to pay the Government the duty saved or drawback claimed along with applicable interest (which can be substantial) and penalties. Additionally, non-compliance could result in the cancellation of our 'One Star Export House' status or other licenses, which would increase our operating costs and adversely affect our financial condition.

While there has been no instance in the six month period ended September 30, 2025, and in the last three Fiscals where we have defaulted on our export obligations, been penalized for non-compliance with export promotion schemes, or had our benefits withdrawn, we cannot assure you that we will be able to fulfill our obligations or maintain our eligibility for these schemes in the future. For further details regarding the government approvals and our export status, see "***Government and Other Material Approvals***" on page 361.

38. Our operations involve complex manufacturing processes and heavy machinery which subject us to operational risks and occupational hazards. Any accidents or incidents at our manufacturing facilities could result in operational suspension, regulatory penalties, or civil and criminal liabilities which could adversely affect our business, results of operations, cash flow and financial condition.

Our operations are subject to operating risks associated with the manufacturing of precision-forged components and safety-critical machined components. We have six operational manufacturing facilities spread between Ludhiana (Punjab) and Hosur (Tamil Nadu), where we utilize complex machinery and high-temperature processes. Certain operations at our facilities, including die-grinding, forging (press and hammer forging), and heat treatment can cause accidents during the manufacturing process resulting in serious injuries or death of employees or other persons, if improperly handled, and cause damage to our properties or equipment and the properties of others or to the environment. For instance, the audiometry of our employees may be impacted by the sound generated from hammer forging operations. We also face risks of crush injuries from the manual or mechanical handling of large and heavy components.

While no such instances of accidents resulting in serious injuries or death have occurred at any of our manufacturing facilities during the six month period ended September 30, 2025, and in the last three Fiscals, we cannot assure you that such instances will not arise in the future. Any such incident could lead to the suspension of our operations, imposition of penalties, and significant legal liability.

Despite ensuring that employee safety manuals covering safety and environmental procedures are in place and that hazard identification and risk assessments are periodically carried out, our operations remain subject to significant hazards. These include fires, mechanical failures, inclement weather, natural disasters, and discharges of hazardous substances. We have received the ISO 45001:2018 certification for our occupational health and safety management systems. However, while there have been no instances of such hazards resulting in material adverse effects as of the six month period ended September 30, 2025, and the last three Fiscals, we cannot assure you that such instances will not arise in the future.

The occurrence of any of these hazards could result in a suspension of operations and/ or the imposition of civil or criminal liabilities. We may also face claims and litigation filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities. Further, our customers, especially international customers, may require us to invest in additional safety protocols which impose incremental expenses and may impact our ability to operate at optimum efficiencies. While there have been no instances of such imposition by our customers in the six month period ended September 30, 2025, and the last three Fiscals, any such future action by our customers may adversely impact our business, results of operations, and cash flows. For further details regarding our safety certifications and initiatives, see "***Our Business – Health and Employee Safety***" on page 211.

39. Any disruption to the steady and regular supply of workforce for our operations, including due to strikes, work stoppages or increased wage demands, could disrupt our production schedules and increase labour costs.

As at September 30, 2025, we had a workforce of 3,469 permanent employees, which includes managerial staff, engineers, executives, trainee engineers, assistants and trainees and apprentices. Our employees are not formally unionised into any labour or workers' unions.

Work stoppages arising from strikes, labour disputes, or other unforeseen events may lead to operational slowdowns or temporary shutdowns, which could adversely impact our business, financial condition, results of operations and cash flows. We are subject to a range of labour laws and regulations that govern our employment practices, including those relating to minimum wages, working hours, workplace conditions, recruitment and termination procedures, and work permit requirements. The Government of India has enacted four new labour codes, the Code on Wages, 2019; the Code on Social Security, 2020; the Occupational Safety, Health and Working Conditions Code, 2020; and the Industrial Relations Code, 2020, which consolidate and replace numerous existing central labour legislations. These labour codes have now been brought into force with effect from November 21, 2025. We are yet to fully assess the impact of these codes on our business and operations, including any additional approvals, licenses or compliance obligations that may arise. For further details, see "***Key Industry Regulations and Policies***" on page 214.

While we have not experienced any significant interruptions to operations stemming from labour disputes or cessation of work in the six month period ended September 30, 2025, and the last three Fiscals which had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that such instances will not adversely impact us in the future.

Our Company engages independent contractors who in turn deploy on-site contract labour to carry out certain ancillary activities on our behalf. This reliance on contract labour is specific to our manufacturing facilities. This contract labour arrangement is specific to our manufacturing facilities in Hosur, Tamil Nadu and we do not utilize contract labour for our operations in Ludhiana, Punjab. As at the six month period ended September 30, 2025, we had 840 contract labourers. The table below sets forth details of our expenses towards contract labourers for the period/ years indicated:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Expenses towards contract labourer (₹ million)	114.49	173.26	134.34	112.58
Expenses towards contract labourer as a % of total expenses	2.61	2.43	2.08	1.92
Expenses towards contract labourer as a % of total revenue from operations	2.46	2.31	2.00	1.87

Although these contract labourers are not directly employed by us, we may be held liable for their wage payments if the contractors fail to meet their statutory obligations. Further, under the Contract Labour (Regulation and Abolition)

Act, 1970, we may be directed to absorb certain contract labourers as permanent employees. Any upward revision of minimum wages applicable to contract labour by the relevant state government in Tamil Nadu could also increase our costs. Any such directive mandated wage increase or change in applicable laws, could have an adverse effect our business, results of operations, financial condition and cash flows.

While there has been no such instance during the six month period ended September 30, 2025 and in the last three Fiscals, we cannot assure you that such instances will not arise in the future. Any failure to comply with labour laws or any significant increase in labour costs could have a material adverse effect on our business, financial condition, results of operations and cash flows.

40. A downgrade in our credit ratings could adversely affect our ability to raise capital in the future.

Our ability to access capital at competitive costs depends on our credit ratings. Any downgrade in our credit ratings or non-availability of credit ratings may restrict our access to capital, increase our cost of borrowing, and adversely affect our business, results of operations, and financial condition. We received the following credit ratings during the six month period ended September 30, 2025 and the Financial Years 2025, 2024 and 2023:

The following table sets forth the rating actions in respect of our CARE-rated facilities, which represent our current banking arrangements:

Rating Agency	Date of Rating	Instrument	Amount (₹ in million)	Rating
CARE	April 2, 2024	Fund-based – LT Term Loan	620.00	CARE BBB+; Stable; assigned
CARE	April 2, 2024	Fund-based – LT Working Capital Limits	870.00	CARE BBB+; Stable; assigned
CARE	April 2, 2024	Non-fund-based – ST BG/LC	10.00	CARE A2+; assigned
CARE	February 3, 2025	Fund-based – LT Term Loan	575.00	CARE A-; Stable; upgraded from CARE BBB+; Stable
CARE	February 3, 2025	Fund-based – LT Working Capital Limits	915.00	CARE A-; Stable; upgraded from CARE BBB+; Stable
CARE	February 3, 2025	Non-fund-based – ST BG/LC	10.00	CARE A2+; reaffirmed
CARE	March 4, 2026	Fund-based – LT Term Loan	465.00	CARE A-; Stable; reaffirmed
CARE	March 4, 2026	Fund-based – LT Working Capital Limits	1,025.00	CARE A-; Stable; reaffirmed
CARE	March 4, 2026	Non-fund-based – ST BG/LC	10.00	CARE A2+; reaffirmed

The following table sets forth the key rating actions in respect of our ICRA-rated facilities, all of which have since been repaid, closed and withdrawn:

Rating Agency	Date of Rating	Instrument	Amount (₹ in million)	Rating
ICRA	June 14, 2023	Long-term Fund-based / Short-term Fund-based / Non-fund-based / Unallocated	1,800.00	[ICRA]BBB+(Stable) / [ICRA]A2; reaffirmed
ICRA	August 1, 2024	Long-term Fund-based / Short-term Fund-based / Non-fund-based / Unallocated	1,800.00	[ICRA]BB+(Stable) / [ICRA]A4+; downgraded; Issuer Not Cooperating
ICRA	October 29, 2025	Long-term Fund-based / Short-term Fund-based / Non-fund-based / Unallocated	1,800.00	[ICRA]B+(Stable) / [ICRA]A4; downgraded; Issuer Not Cooperating
ICRA	December 1, 2025	All ICRA-rated facilities	1,800.00	Ratings withdrawn at the request of our Company upon receipt of No Objection Certificates / Closure Certificates from the relevant lenders

With effect from April 2024, our Company transitioned to CARE Ratings Limited as its credit rating agency in connection with its revised banking arrangements. As the ICRA-rated facilities were being repaid and closed following this transition, ICRA classified our Company as "Issuer Not Cooperating" which reflects non-submission of periodic information to ICRA during the repayment and closure process, and does not indicate any financial stress, default or deterioration in our Company's financial performance. All ICRA-rated facilities were subsequently repaid and closed in full, and ICRA withdrew its ratings on December 1, 2025, upon receipt of No Objection Certificates and closure certificates from the relevant lenders. Our CARE-rated facilities, which represent our current and only active banking arrangements, were upgraded from CARE BBB+; Stable to CARE A-; Stable in February 2025 and reaffirmed at CARE A-; Stable in March 2026, reflecting consistent improvement in our operational and financial performance.

The interest rates of certain of our borrowings may significantly depend on our credit ratings. A downgrade of our credit ratings could lead to greater risk with respect to refinancing our debt and would likely increase our cost of borrowing and adversely affect our business, financial condition, results of operations, reputation and prospects.

41. We may experience pricing pressure from our customers, which could compress our gross margins and profitability if we are unable to offset such reductions through cost efficiencies.

We manufacture and supply complex, precision forged-components and machined-components for the automotive and non-automotive sectors, primarily supplying to OEMs domestically as also to other customers internationally. The automotive component industry is characterized by significant price competition, and our customers, particularly large OEMs, typically possess significant bargaining power. They generally pursue aggressive but systematic price reduction initiatives and objectives each year, expecting suppliers to reduce prices over the life of a product or as purchase volumes increase. As any price reduction is often the result of negotiations and factors beyond our control, we must continuously strive to reduce operating costs and increase operating efficiencies to maintain our profitability. If we are unable to offset such customer-driven price reductions through improved efficiencies, new manufacturing processes, or sourcing alternatives, our profit margins may decline.

Furthermore, our business is capital intensive and requires us to maintain a large, fixed cost base. Our profitability is dependent, in part, on our ability to spread these fixed costs over higher sales volumes. However, we may not be able to spread such fixed costs effectively because our customers generally negotiate for larger discounts in price as the volume of their orders increase. In addition, substantially all of our products are customized to specific customer requirements, which requires us to incur significant costs in setting up our capabilities to manufacture these products, which may or may not be fully recovered from the customers. While we have not experienced material pricing pressure from our customers that has had an adverse impact on our financials in the six month period ended September 30, 2025, and in the last three Fiscals, we cannot assure you that we will not face such pressure in the future. Any inability to maintain our pricing structures or offset price reductions could have a material adverse effect on our business, results of operations, and financial condition.

42. We have applied for the registration of our corporate name and logo under the Trade Marks Act, 1999, and these applications are currently pending. If we are unable to obtain registration, or if third parties infringe upon our intellectual property, we may be unable to effectively protect our brand identity.

As of the date of this Draft Red Herring Prospectus, we do not hold any registered intellectual property including trademarks or patents. We have applied for the wordmark registration of our corporate name i.e. "KAY JAY FORGINGS LIMITED" (wordmark) under Class 35 and our corporate device/ logo under Class 12 with the Registrar of Trademarks, Delhi. Specifically, we have filed Application No. 6986348 for our device/logo and Application No. 6986349 for the wordmark, both dated May 1, 2025. As of the date of this Draft Red Herring Prospectus, the status of both these applications is pending. While this indicates that the initial procedural checks have been cleared, the registration process is not yet complete, and our applications may still face objections during the substantive examination phase or opposition from third parties after publication. Even if our applications proceed to registration, registered trademarks remain subject to challenge, opposition and cancellation proceedings by third parties. Until our trademarks are formally registered, we may have limited legal recourse to prevent third parties from using our brand name or logo, or from manufacturing and selling products under similar marks. We may only be able to seek relief under the common law remedy of "passing off," which is generally more difficult and burdensome to prove than a claim for infringement of a registered trademark.

There is no assurance that our trademark applications will proceed to registration in a timely manner, or at all. If we are unable to register our trademarks, or if we are unable to successfully defend our intellectual property rights, our ability to protect our brand and reputation could be severely compromised. Furthermore, we operate in a competitive environment where brand recognition is significant. If third parties infringe upon our intellectual property rights, we may be required to engage in costly and time-consuming litigation. The defense of intellectual property suits and related legal proceedings can divert the efforts and resources of our technical and management personnel. We could also be subject to injunctions prohibiting the use of our brand name or the sale of our products or be required to pay settlement costs. Such proceedings could also result in the need for us to rebrand, which would involve substantial costs and loss of established goodwill.

While we endeavor to ensure compliance with the intellectual property rights of others, there can be no assurance that we will not face intellectual property infringement claims brought by third parties, which may require us to alter our technologies, obtain licenses, or cease certain operations. Such license modifications can be extremely costly or may not be available to us on satisfactory terms. For further details regarding our intellectual property, see "***Government and Other Material Approvals – Intellectual Property related approvals***" on page 363 and "***Our Business – Intellectual* Property** " on page 213.

43. We depend significantly on our Promoters, Key Managerial Personnel and Senior Management for their technical expertise and strategic direction. Our inability to recruit, train and retain qualified personnel or the loss of key team members could create a leadership vacuum and impact strategic execution.

We are currently dependent on the leadership and on the continued efforts of our Promoters, Gopal Krishan Kothari and Amit Kothari, who collectively bring over 65 years of experience in our industry. Their extensive knowledge of our operations, business development, and long-standing customer relationships has been instrumental in our growth. Additionally, we rely on our Key Managerial Personnel and Senior Management, including Naveen Behl (Whole-time Director with over 38 years of experience), Ashok Bansal (Chief Financial Officer), Amit Verma (Company Secretary and Compliance Officer), and other senior executives like Jagdeep Singh (Vice President) and Tarlok Singh (Plant Head – Hosur Facilities), to manage our day-to-day operations and execute our business strategies. Most of our Senior Management Personnel have been associated with our Company for over 20 years, providing stability and deep institutional knowledge.

Our future success depends on our ability to continue to attract, train, and retain qualified personnel, particularly engineers and technical experts who are capable of developing new products to support our key customers. As at September 30, 2025, we employed 3,469 permanent employees. The loss of any of our Promoters or key senior employees could impair our ability to maintain our customer relationships and technical edge. If we are unable to find adequate replacements for these key positions in a timely manner, it could disrupt our operations and strategic initiatives. Furthermore, we face competition for skilled technical personnel, and our inability to hire and retain sufficient qualified employees could delay our product development and impair our operational success. Hence, if we are not able to address these risks, our business prospects, financial condition and results of operations could be adversely affected.

44. ***The degree certificate in respect of educational qualification of our Chairman and Managing Director is not traceable.***

Our Chairman and Managing Director, Gopal Krishan Kothari has been unable to trace copies of his bachelor's degree in commerce from University of Rajasthan. While he has written an email to the university concerned requesting a copy of the degree certificate, a response from the university is awaited. There is no assurance that the university will respond to such email in a timely manner, or at all. Accordingly, reliance has been placed on marksheets furnished by our Chairman and Managing Director to us and the BRLM to disclose details of his educational qualification in this Draft Red Herring Prospectus. Further, there can be no assurances that he will be able to trace the relevant documents pertaining to his educational qualifications in future or at all.

45. ***Except for one of our Independent Directors, none of our Directors have prior experience in managing a public listed company. This lack of experience could impede our ability to efficiently navigate the complex regulatory, compliance, and reporting requirements applicable to listed entities.***

As of the date of this Draft Red Herring Prospectus, our Board comprises six Directors, consisting of one Chairman and Managing Director, one Whole-time Director, one Executive Director, and three Independent Directors. While all our Directors have relevant experience in their respective fields, except for our Independent Director, Mr. Jatender Kumar Mehta (who serves on the board of one public listed company), none of our Directors have previously served on the board of any company listed on a recognized stock exchange in India.

Not having any significant contemporary experience of being a director in a listed company may present certain potential challenges for our Company, such as transitional challenges in adapting to the enhanced corporate governance framework and heightened regulatory and disclosure obligations applicable to listed entities under the SEBI Listing Regulations, the Companies Act, 2013, and other applicable laws. As a listed company, we will be subject to increased scrutiny of our affairs by shareholders, regulators and the public at large, and will incur additional legal, accounting, secretarial and corporate governance costs that we did not incur as an unlisted company.

Ensuring compliance with these rigorous standards will require significant time and attention from our Promoters and Executive Directors, potentially diverting their focus from our core business strategies and daily operations. In addition, we may need to hire additional legal, secretarial and accounting staff with appropriate experience and technical knowledge to bridge this experience gap, but we cannot assure you that we will be able to do so in a timely and efficient manner. For further details on our Board of Directors, see *"**Our Management**"* on page 224.

46. ***Our Promoters and members of the Promoter Group will continue to retain significant control over our Company after the completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders and may potentially result in a conflict of interest.***

As on the date of this Draft Red Herring Prospectus, our Promoters, Gopal Krishan Kothari and Amit Kothari, along with the members of the Promoter Group, collectively hold 99.86% of the pre-Offer paid-up equity share capital of our Company. Upon completion of the Offer, our Promoters and Promoter Group will continue to hold a substantial majority of our post-Offer paid-up equity share capital. As required under applicable SEBI regulations, the public shareholding in our Company post-listing will be at least 25%, which will limit the aggregate post-Offer holding of our Promoters and Promoter Group to a maximum of 75%. Consequently, they will exercise significant influence over our business policies, affairs, and all matters requiring Shareholders' approval.

This concentration of ownership enables our Promoters to control the composition of our Board of Directors and, by extension, the strategic direction of our Company. They will have the ability to influence or effectively control the outcome of matters requiring a special resolution, including the adoption of amendments to our Articles of Association, the approval of mergers, strategic acquisitions, joint ventures, the sale of substantially all of our assets, and policies regarding dividends and capital expenditure. This level of control could delay, defer, or prevent a change in control of our Company, even if such a transaction would be beneficial to our other shareholders. It may also deter potential acquirers from making a bid for our Equity Shares, which could limit the opportunity for our shareholders to sell their shares at a premium.

Furthermore, the interests of our Promoters and members of the Promoter Group may conflict with the interests of our other shareholders or the Company as a whole. We cannot assure you that our Promoters will always act in the best interests of the minority shareholders or resolve any conflicts of interest in favor of the Company. Related party transactions entered into with our Promoters and Promoter Group members may not always be on arm's length terms, and our Promoters' ability to influence the outcome of shareholder approvals may limit the effectiveness of minority shareholder protections. Any such concentration of control and potential conflict of interest could adversely affect our ability to execute our business strategy and may impact the trading price of our Equity Shares. For further details regarding the shareholding of our Promoters, see "***Capital Structure***" on page 77 and "***Our Promoters and Promoter Group***" on page 240.

47. We are exposed to operational risks, including cyberattacks, cyber frauds, fraud, theft and embezzlement, which may adversely affect our reputation, business, results of operations, financial condition and cash flows.

Our business is exposed to various operational risks, including potential incidents of employee fraud, theft, embezzlement and other misconduct. Although we seek to implement appropriate compliance procedures and maintain effective internal controls over financial reporting to ensure accuracy and prevent financial irregularities, human error or lapses in judgment may still occur. Any such failure could undermine the reliability of our financial reporting, erode investor confidence and negatively impact the trading price of our Equity Shares.

Our operations are also susceptible to theft or damage to inventory, including losses arising during transit, as well as losses attributable to employee malfeasance, vendor-related fraud or administrative mistakes. While we have not experienced any such incidents during the six month period ended September 30, 2025, or in the last three Fiscals, we cannot assure you that similar events will not occur in the future. In addition, we face risks relating to cyberattacks and cyber fraud, which could disrupt our operations and materially affect our financial performance, including our cash flows. Such events may compromise confidential information, impair critical systems and lead to reputational harm or regulatory sanctions. There can be no assurance that our internal controls, security protocols or monitoring systems will successfully prevent or detect all such threats. Any instance of fraud, theft, cyber intrusion or other operational risk events could materially and adversely affect our business, results of operations, financial condition and cash flows.

48. Our failure to maintain effective internal controls and compliance systems could result in financial reporting errors, regulatory penalties and reputational damage, adversely affecting our business, financial condition, results of operations and cash flows.

As we continue to expand our operations and prepare for the enhanced obligations applicable to a listed company, our success depends on our ability to maintain and continuously improve our internal controls over financial reporting, compliance monitoring systems and management control processes. We have established internal controls and policies relating to ethical conduct, anti-bribery and anti-corruption, and strive to comply with applicable laws and regulations. However, these controls and procedures may not be sufficient to prevent all instances of non-compliance, error or misconduct. If we are unable to effectively improve our internal control systems to keep pace with the growth and complexity of our business, such systems may become inadequate and our ability to manage our operations effectively may be adversely affected.

As a listed company, we will be subject to significantly more stringent regulatory and disclosure obligations than those applicable to an unlisted entity, including under the SEBI Listing Regulations and the Companies Act, 2013. Compliance with these requirements will demand sustained management attention, additional qualified personnel and incremental costs. Any lapses in our compliance framework whether arising from human error, inadequate processes, or the complexity of applicable regulations could result in regulatory penalties, enforcement actions, reputational damage or adverse findings in our financial statements that may erode investor confidence.

While there have been no instances of material failure to maintain adequate internal controls or material non-compliance with applicable laws during the six month period ended September 30, 2025 and in the last three Fiscals, we cannot assure you that such instances will not arise in the future. Any failure in our internal controls or compliance framework could have a material adverse effect on our financial reporting, business, results of operations, financial condition and cash flows.

49. Failure or disruption of our information technology systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.

IT systems are critical to our ability to manage our manufacturing processes, inventory, financial management, data handling and supply chain operations, and to maximize efficiencies and optimize costs. Our IT systems enable us to coordinate key functions, including automated manufacturing, logistics and transport, invoicing, customer relationship management and decision support.

In the six month period ended September 30, 2025, we incurred an aggregate amount of ₹ 2.09 million towards IT-related expenditure, including upgrades to our IT infrastructure, engineering and quality-testing software, and enhancements to our enterprise resource planning ("**ERP**") platforms. In Fiscal 2025, we incurred a total of ₹ 2.66 million for purchase of fixed-assets software and payroll software and for the updation of our ERP accounting system, which supports functions including production, materials management, finance, inventory, maintenance and human resources. For further details, see "***Our Business – Information Technology***" on page 210.

The Government of India has enacted the Digital Personal Data Protection Act, 2023, together with the Digital Personal Data Protection Rules, 2025 (collectively, the "**Data Protection Act**"), which imposes comprehensive obligations on entities that collect, process or transfer personal data. The legislation mandates implementation of specified organisational and technical safeguards, prescribes conditions for cross-border data transfers, and establishes accountability standards for data fiduciaries. Companies processing large volumes of personal data are required to undertake additional responsibilities, including the appointment of a Data Protection Officer for grievance redressal and a data auditor to assess compliance with the Data Protection Act. Compliance with these requirements may result in increased costs and may require significant management oversight and operational resources. Any failure to comply with the Data Protection Act or the rules framed thereunder could adversely impact our business, results of operations and future prospects.

While there has been no instance in the six month period ended September 30, 2025 and in the last three Fiscals where we experienced a technology failure that had an adverse impact on our business operations, there is no assurance that similar incidents will not arise in the future. If we do not allocate and effectively manage the resources necessary to maintain or upgrade our IT infrastructure, we could be subject to transaction errors, delays, processing inefficiencies or system failures.

Challenges relating to the revamping or implementation of new IT systems may also expose us to operational errors, temporary disruptions or, in some instances, loss of customers. In addition, our IT systems and those of our third-party service providers may be vulnerable to interruptions caused by events beyond our control, including natural disasters, power or telecommunications outages, cyber incidents, viruses, malicious attacks or other security breaches.

50. Failure to maintain the confidentiality of our proprietary technical knowledge, or of confidential information entrusted to us by our customers, could erode our competitive advantage and expose us to claims, reputational harm and financial loss, adversely affecting our business, results of operations, financial condition and prospects.

Our competitive position depends significantly on proprietary technical know-how developed over decades of precision forging and machining operations, including our in-house die design capabilities, metallurgical process parameters, heat treatment protocols and machining methodologies for components with tolerances of 2 to 20 microns. This knowledge is not protected by registered intellectual property rights and relies primarily on internal confidentiality practices and employment arrangements. As of the date of this Draft Red Herring Prospectus, we do not hold any registered patents. A significant number of our employees have access to this proprietary knowledge, and there can be no assurance that it will remain confidential. Employees who leave our Company and join competitors or establish competing businesses may carry with them knowledge of our processes, die designs or manufacturing methodologies, which could erode the competitive advantage we have built over our peers.

In the ordinary course of our business, we also receive and hold confidential information belonging to our customers, including product specifications, design drawings and performance parameters, and are typically bound by contractual obligations to protect such information. Any unauthorised disclosure or misuse of such customer information could expose us to breach of contract claims, termination of customer relationships and reputational harm that may be difficult or costly to remediate.

While we are not aware of any instances of unauthorised dissemination of our proprietary technical know-how or confidential customer information, in the six month period ended September 30, 2025 or in the last three Fiscals, we cannot assure you that such instances will not arise in the future. Any such failure could erode our competitive advantage, expose us to significant claims and have a material adverse effect on our business, results of operations, financial condition and prospects.

51. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Return on Capital Employed 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, including EBITDA, EBITDA Margin, Gross Profit, Gross Margin, Return on Capital Employed, Return on Equity and Average Net Fixed Assets Turnover Ratio, have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not defined under Ind AS and should not be considered in isolation or as an alternative to profit for the year, cash flows or any other measure of financial performance derived in accordance with Ind AS.

These measures may not be standardised or comparable to similarly titled measures used by other companies, and any reliance on such measures should accordingly be limited.

52. ***Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements.***

The declaration and payment of dividends in the future will be subject to the discretion of our Board of Directors and the approval of our shareholders, in accordance with our Articles of Association and applicable laws, including the Companies Act, 2013. Our ability to distribute dividends will depend on a number of factors, including our future financial performance, profitability, cash flows, available distributable profits, working capital needs and planned capital expenditure. We cannot assure you that we will generate sufficient profits or maintain adequate cash flows to support dividend payments in line with past practices, or that any dividends will be declared or paid at all. We have not declared any dividends on our Equity Shares during the last three Fiscals and from April 1, 2025 to the date of this Draft Red Herring Prospectus. For information pertaining to dividend policy, see *"**Dividend Policy**'* on page 245.

53. ***Other than reimbursement of expenses incurred and normal remuneration or benefits, our Promoters may have other interests.***

Our Promoters, who also serve on our Board of Directors, have interests in our Company beyond their remuneration, benefits and expense reimbursements, including their shareholding in our Company and any dividends or distributions received in respect thereof. For the payments that are made by our Company to related parties including remuneration to our Directors and our Key Managerial Personnel, see "***Summary of Related Party Transaction***" on page 68 and "***Our Promoters and Promoter Group – Interest of our Promoters and common pursuits***" on page 241. We cannot assure you that our Promoters will always exercise their rights in a manner that aligns with the best interests of our Company. As significant shareholders, they may influence or block decisions relating to our business, and such actions may, at times, be contrary to the interests of our minority shareholders.

54. ***Certain sections of this Draft Red Herring Prospectus contain information sourced from the CARE Report, which was commissioned and paid for by us solely for the purposes of the Offer. Any reliance by prospective investors on such information for making an investment decision involves inherent risks.***

We have engaged an independent third-party research agency, CARE Analytics and Advisory Private Limited ("**CARE**"), a wholly owned subsidiary of CARE Ratings Limited, pursuant to an engagement letter dated May 12, 2025, to prepare an industry report titled "*Industry Research Report for Precision Forged and Machined Components in the Automotive Industry*" dated March 25, 2026, for inclusion in this Draft Red Herring Prospectus to provide an overview of the industry in which we operate.

CARE is an independent agency and is not a related party of our Company, our Directors, Promoters, Key Managerial Personnel, Senior Management, or the Book Running Lead Manager. We commissioned and paid for the CARE Report exclusively for the purposes of the Offer to confirm our understanding of the industry in which we operate. Certain sections of this Draft Red Herring Prospectus, including *"**Industry Overview**"* on page 129, include information based on, or derived from, the CARE Report.

The CARE Report highlights that certain industry and market data may be subject to assumptions that are subjective in nature. Market share data and other statistics used by CARE are based on public information and methodologies that may vary widely among different industry sources and may not be directly comparable to our financial statements or financial information presented in this Draft Red Herring Prospectus. We cannot assure you that the assumptions made by CARE are correct or will not change. Accordingly, our position in the market may differ from that presented in the CARE Report.

55. ***Our Company will not receive any proceeds from the Offer for Sale. The entire proceeds from the Offer for Sale will be received by the Selling Shareholders.***

In addition to the Fresh Issue from which our Company will receive entire proceeds, the Offer includes an Offer for Sale of up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 600.00 million by the Selling Shareholders. All proceeds from the Offer for Sale (net of their respective portion of Offer-related expenses and relevant taxes thereon) will be received by the Selling Shareholders, and our Company will not receive any portion of these proceeds. For further details, see "***The Offer***" and "***Objects of the Offer***" on pages 61 and 91, respectively.

56. ***The average cost of acquisition of Equity Shares for our Selling Shareholders may be lower than the Offer Price.***

The average cost of acquisition of Equity Shares for our Selling Shareholders may be lower than the Offer Price. The details of the average cost of acquisition of Equity Shares held by our Selling Shareholders as at the date of the Draft Red Herring Prospectus is set out below:

Name of the Selling Shareholder	Number of Equity Shares	Average Cost of Acquisition per Equity Share (in ₹)[1]
Gopal Krishan Kothari	40,011,520	1.85
Amit Kothari	2,568,960	2.04
Madhu Kothari	2,210,560	15.99
G K Kothari & Sons	1,056,000	0.31

(1) *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

The Offer Price is not indicative of the price at which our Company has issued the Equity Shares in the past or that will prevail in the open market following listing of the Equity Shares.

External Risk Factors

57. The determination of the Price Band is based on various factors and assumptions and the Offer Price, price to earnings ratio and market capitalization to revenue multiple based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.

Our revenue from operations for the six month period ended September 30, 2025, and Fiscal 2025 was ₹ 4,660.63 million and ₹ 7,504.64 million, respectively, and restated profit for the six month period ended September 30, 2025, and Fiscal 2025 was ₹ 213.57 million and ₹ 290.15 million, respectively. The table below provides details of our price to earnings ratio and market capitalization to revenue from operations at the upper end of the Price Band:

Particulars	Price to Earnings Ratio	Market Capitalization to Revenue
Fiscal 2025	[●]*	[●]*

* *To be populated at Prospectus stage.*

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. The relevant financial parameters based on which the Price Band will be determined shall be disclosed in the advertisement that will be issued for the publication of the Price Band. Further, the Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section "***Basis for the Offer Price***" on page 112 and the Offer Price, multiples and ratios may not be indicative of the market price of our Company on listing or thereafter. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

58. Changing laws, rules and regulations in India could lead to new compliance requirements that are uncertain.

An adverse change in, or interpretation of, the laws and regulations applicable to us, or the introduction of new regulatory requirements, may have a material adverse effect on our business, results of operations, financial condition and cash flows. Our business, results of operations, financial condition and cash flows may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in which we operate are evolving and are subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of materials that hazardous into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

For instance, the GoI has recently introduced the Code on Social Security, 2020 ("**Social Security Code**"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations (collectively, the "**Labour Codes**"). The Labour Codes have now been brought into force with effect from November 21, 2025. These codes have introduced mandatory changes to the definition of wages and employee benefits. Specifically, the Social Security Code provides that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code. Additionally, the Code on Wages, 2019, prescribes that if payments made by an employer towards certain employment benefits (including gratuity and house rent allowance) exceed half (or such other percentage as may be notified by the Central

Government) of the total remuneration, the excess amount shall be deemed remuneration and accordingly be added to wages. The enforcement of these provisions has required us to recalculate our contribution liabilities, leading to higher employee and labour costs, which in turn has had a detrimental effect on our results of operations, financial condition and cash flows.

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. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows, financial condition and prospects. Further, pursuant to the Finance (No.2) Act of 2024 and Finance Act, 2025, notified on August 16, 2024 and March 29, 2025, respectively, the Government of India has introduced new income tax slabs, an increase in standard deduction and an increase in the deduction available in respect of private sector employer's contribution to National Pension Scheme from 10% to 14% of the salary of the concerned employees. There is no certainty on the impact of the full union budget on tax laws or other regulations, on our business, results of operations, financial condition and cash flows, or on the industry in which we operate.

59. The occurrence of natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could adversely affect our business, results of operations, financial condition and cash flows.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events such as political instability, including strikes, demonstrations, protests, marches or other types of civil disorder, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, results of operations, financial condition and cash flows. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we sell our products could have a negative effect on us. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. 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.

60. A downgrade in ratings of India and other jurisdictions we operate in may affect the trading price of the Equity Shares.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our Company's control. Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our 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, if any. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

61. We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). 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 may result 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, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

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. In the event we pursue an acquisition in the future, we may be 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, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, results of operations, financial condition and cash flows.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti- competitive agreements and abuse of dominant position. We have not experienced any instances wherein we were subject to any penalty or received any notice from the CCI in the last three Fiscals, we cannot assure you such instances will not arise in the future.

62. Financial and political instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States of America, Europe and certain emerging economies in Asia. In particular, the ongoing military conflicts between India and Pakistan, Russia and Ukraine, and US, Israel and Iran could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Further, any worldwide financial instability including possibility of default in the US debt market may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

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. In response to such developments, legislators and financial regulators in the United States of America and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. Further, the imposition of tariffs by the US government under its "*Fair and Reciprocal Plan*" may impact Indian businesses, especially those with a substantial export presence in the US market. This policy has resulted in the imposition of tariffs across a diverse range of sectors, including steel, aluminium, pharmaceuticals, textiles, and electronics. As a results, Indian exporters may encounter heightened costs and uncertainties, potentially constraining their market competitiveness and profitability. These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects.

63. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

64. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Financial Information are derived from the audited Ind AS financial statements as at and for the six month period ended September 30, 2025, and in Fiscals 2025, 2024, and 2023, and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

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

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, customers concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares 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 our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

66. There are restrictions on the daily movements in the trading price of the Equity Shares imposed by the Stock Exchanges through daily "circuit breakers," which may adversely affect a shareholder's ability to sell Equity Shares at a desired price at any particular point in time.

Following the listing of the Equity Shares, they will be subject to a daily circuit breaker imposed by the Stock Exchanges, which does not allow transactions beyond certain limits on the upward and downward movement of the trading price of the Equity Shares in a single trading session. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit applicable to the Equity Shares 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 applicable percentage limit, and may revise such limit without our knowledge. As a result, there may be circumstances where shareholders are unable to sell or purchase Equity Shares at their desired price within a trading session. We cannot give any assurance regarding the ability of shareholders to sell Equity Shares or the price at which such sales can be effected at any given time.

67. 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 the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Offer. Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

- the failure of security analysts to cover the Equity Shares after the Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our Shareholders;
- investor perception of us and the industry in which we operate;
- investor perceptions of our future performance, adverse media reports about us or our sector;
- changes in accounting standards, policies, guidance, interpretations of principles;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations; and
- the public's reaction to our press releases and adverse media reports.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment. 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 our 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.

68. Investors could be subject to Indian taxes arising out of capital gains and stamp duty on the sale of the Equity Shares and will be subject to India taxes on any dividends.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months could be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you could 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 held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain released on the sale of our equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents could 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 sale of shares of an Indian company.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument ("**MLI**"), if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the Shareholders, both resident as well as non-resident.

More recently, the Government of India announced the Union Budget for Fiscal 2027, following which the Finance Bill, 2026 ("**Finance Bill**") was passed by the Parliament of India. Potential investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. There is no certainty on the impact that the Finance Bill, when enacted, may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, 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 affect the viability of our current business or restrict our ability to grow our business in the future.

69. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment and transfer of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately three Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid Closing Date. There could be a failure or delay in the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

70. ***Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.***

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 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 by our shareholders 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 or incurring additional debt. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India 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 the Equity Shares or incurring additional debt. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

71. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect 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 restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior approval of the RBI will be required. Additionally, 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. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. Further, due to possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

The Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country sharing a land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 408.

72. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after closure of the Bid/ Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and 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. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, financial condition and cash flows may arise between the date of submission of the Bid and Allotment.

Retail Individual Bidders 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 all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within three 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 operations, financial condition and cash flows may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

73. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by 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 the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes 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 the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced. In addition, Investors may suffer continued risk of dilution if shareholders pass special resolutions for preferential issues or take any other similar actions.

74. Fluctuations in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of the Equity Shares, independent of our operating results.

Upon listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Indian Rupees and subsequently converted into appropriate foreign currency for repatriation. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

75. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer(1)(2)	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,600.00 million.
The Offer consists of:	
(i) Fresh Issue (1)(2)	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,000.00 million
(ii) Offer for Sale(3)	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 600.00 million
of which:	
Employee Reservation Portion(7)	Up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹[●] million
Net Offer comprises of:	
A) **QIB Portion** (4)(6)	Not more than [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
of which:	
- Anchor Investor Portion(4)	Up to [●] Equity Shares of face value of ₹ 5 each
- Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 5 each
of which:	
- Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹ 5 each
- Balance of the Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 5 each
B) **Non-Institutional Portion**(5)	Not less than [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
Of which	
one-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	Up to [●] Equity Shares of face value of ₹ 5 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	Up to [●] Equity Shares of face value of ₹ 5 each
C) **Retail Portion**	Not less than [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ [●] million
Pre- and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	45,975,360 Equity Shares of face value of ₹ 5 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 5 each
Use of Net Proceeds	For details of the use of proceeds from the Fresh Issue, see "***Objects of the Offer***" on page 91. Our Company will not receive any proceeds from the Offer for Sale.

(1) *The Offer has been authorized by a resolution of our Board dated March 5, 2026, and our Shareholders have authorized the Fresh Issue pursuant to a special resolution dated March 6, 2026.*

(2) *Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

(3) *Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated March 5, 2026. Each of the Selling Shareholders, severally and not jointly, specifically confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders has, severally and not jointly, approved its respective portion in the Offer for Sale as set out below:*

Name of the Selling Shareholders	Date of Consent Letter	Maximum number of offered shares / Aggregate amount of Offer for Sale (₹ in million)
Gopal Krishan Kothari	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 520.00 million
Amit Kothari	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million
Madhu Kothari	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million
G K Kothari & Sons	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 20.00 million

*For further details, see "**The Offer**" and "**Other Regulatory and Statutory Disclosures**" on pages 61 and 364 respectively.*

(4) *Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the shares allocated to Anchor Investors. 40% of the Anchor Investor Portion shall be reserved in the following manner: (a) up to 33.33% shall be reserved for domestic Mutual Funds; and (b) up to 6.67% shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added back to the Net QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the 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 as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "**Offer Procedure**" on page 386.*

(5) *Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. 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 any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. For further details, see the chapter titled "**Offer Procedure**" beginning on page 386.*

(6) *Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size more than ₹ 0.20 million 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 under-subscription in either of these two subcategories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non Institutional Portion. The allocation to each Non-Institutional Bidder shall not be less than ₹ 0.20 million, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For further details, see the chapter titled "**Offer Procedure**" beginning on page 386.*

(7) *In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Retail Category in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of undersubscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up Equity Share capital.*

Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least [●]% of the post- Offer paid-up equity share capital of our Company. Allocation to all categories, except the Anchor Investor Portion, if any, the Non- Institutional Category and the Retail Category, shall be made on a proportionate basis, subject to valid Bids being received at or above the Offer Price, as applicable. Allocation to Non- Institutional Category and each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non- Institutional Category and Retail Category, and the remaining available 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 details, including in relation to grounds for rejection of Bids, refer to "***Offer Structure***" and "***Offer Procedure***" on pages 381 and 386, respectively. For details of the terms of the Offer, see "***Terms of the Offer***" on page 374.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information (excluding the notes) derived from the Restated Financial Information. The summary financial information presented below should be read in conjunction with "***Restated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 246 and 328, respectively.

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KAY JAY FORGINGS LIMITED
(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)
CIN: U74899DL1983PLC029298
Annexure I- Restated Summary Statement of Assets and Liabilities
(All amounts in INR millions, unless otherwise stated)

Particulars	Note No.	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2.1	1,734.11	1,856.17	1,550.81	1,303.55
Intangible Assets	2.2	3.28	2.12	2.54	3.12
Capital Work in Progress	2.3	185.79	113.22	10.82	66.44
Right of Use Assets	2.4	3.58	4.23	5.53	6.78
		1,926.76	**1,975.74**	**1,569.69**	**1,379.89**
Financial Assets					
(i) Non Current Investments	3	2.80	2.51	2.26	1.39
(ii) Other Financial Assets	4	43.88	41.48	33.70	28.46
(iii) Lease Receivables	5	-	-	-	2.30
		46.68	**43.98**	**35.96**	**32.15**
Other Non Current Assets	6	101.42	49.47	193.37	382.79
Total Non-Current Assets		**2,074.86**	**2,069.19**	**1,799.03**	**1,794.83**
Current Assets					
Inventories	7	974.29	1,040.88	897.80	748.01
Financial Assets					
(i) Trade Receivables	8	750.10	547.11	457.74	444.87
(ii) Cash and Cash Equivalents	9	184.60	73.87	246.69	189.91
(iii) Other Balances with Banks	10	0.49	0.48	0.46	0.44
(iv) Short-term Loans and Advances	11	78.27	19.62	22.76	40.61
(v) Lease Receivables	5	-	-	2.30	2.12
(vi) Other Financial Assets	4	17.79	11.07	5.18	2.81
Other Current Assets	12	75.37	64.09	49.83	48.58
Total Current Assets		**2,080.92**	**1,757.12**	**1,682.76**	**1,477.34**
TOTAL ASSETS		**4,155.77**	**3,826.31**	**3,481.78**	**3,272.00**
B. EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	13	229.88	14.37	14.37	14.37
Other Equity	14	1,612.32	1,614.34	1,327.35	1,090.08
Total Equity		**1,842.20**	**1,628.71**	**1,341.72**	**1,104.44**
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
(i) Borrowings	15	658.57	551.66	709.77	824.77
(ii) Lease Liabilities	16	3.47	3.63	4.56	3.39
Deferred Tax Liabilities (net)	17	9.01	15.22	18.86	28.74
Long-term Provision - Gratuity	18	17.29	19.16	15.63	25.08
Total Non-Current Liabilities		**688.34**	**589.66**	**748.81**	**881.99**
Current Liabilities					
Financial Liabilities					
(i) Borrowings	19	179.49	467.17	403.95	598.38
(ii) Trade Payables :-	20				
(A) Total Outstanding Dues of Micro and Small Enterprises		134.26	101.38	99.44	39.60
(B) Total Outstanding Dues of Creditors Other than Micro and Small Enterprises		620.50	491.81	501.87	383.83
(iii) Lease Liabilities	16	0.45	0.93	1.22	3.76
(iv) Other Financial Liabilities	21	283.22	249.34	98.90	48.32
Other Current Liabilities	22	268.90	224.06	214.79	157.73
Short-term Provisions	23	138.43	73.25	71.08	54.12
Total Current Liabilities		**1,625.24**	**1,607.95**	**1,391.25**	**1,285.74**
Total Liabilities		**2,313.58**	**2,197.61**	**2,140.07**	**2,167.73**
TOTAL EQUITY AND LIABILITIES		**4,155.77**	**3,826.31**	**3,481.78**	**3,272.00**
Corporate Information & Material Accounting Policies	1				

The above Statement should be read with the Annexure V- Material Accounting Policies and other explanatory Notes to Restated Summary Statements, Annexure VI Statement of Restatement Adjustments to Audited Financial Statements and Annexure VII - Notes to the Restated Summary Statements.
As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date :

UDIN:

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

KAY JAY FORGINGS LIMITED
(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)
CIN: U74899DL1983PLC029298
Annexure II- Restated Summary Statement of Profit and Loss
(All amounts in INR millions, unless otherwise stated)

Particulars	Note No.	For The Period Ended September 30, 2025	For The Year Ended March 31, 2025	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
A. INCOME					
Revenue from Operations	24	4,660.63	7,504.64	6,723.16	6,026.92
Other Income	25	9.90	17.47	32.59	21.62
TOTAL INCOME (A)		**4,670.53**	**7,522.11**	**6,755.76**	**6,048.54**
B. EXPENSES					
Cost of Materials Consumed	26	2,452.05	4,028.21	3,794.47	3,510.25
Purchases of Stock-in-Trade		-	-	-	-
Changes in Inventories of Finished Goods, Stock-in- Trade- and Work-in-Progress	27	72.66	(63.89)	(146.55)	(32.49)
Employee Benefits Expense	28	640.24	1,064.62	932.88	804.69
Finance Costs	29	59.29	121.41	132.64	120.88
Depreciation and Amortisation Expense	30	115.88	229.96	242.72	213.43
Other Expenses	31	1,050.07	1,760.72	1,495.27	1,243.63
TOTAL EXPENSES (B)		**4,390.17**	**7,141.04**	**6,451.43**	**5,860.38**
Profit before Exceptional Items and Tax		280.36	381.07	304.33	188.16
Exceptional Items		-	-	-	-
Profit/(Loss) before extraordinary items and tax		280.36	381.07	304.33	188.16
Extraordinary items		-	-	-	-
RESTATED PROFIT BEFORE TAX (C= A-B)		**280.36**	**381.07**	**304.33**	**188.16**
Tax expense:	33				
Current Tax		70.60	95.00	72.50	61.00
Less : MAT Credit		-	-	-	-
Deferred Tax		(3.80)	(4.08)	(9.43)	(11.00)
Tax in respect of earlier years (Net of Provision W/Back)		-	-	-	0.03
TOTAL TAX EXPENSE (D)		**66.80**	**90.92**	**63.07**	**50.03**
Profit for the year from Continuing Operations		213.57	290.15	241.26	138.13
Profit/(Loss) from Discontinuing operations (before tax)		-	-	-	-
Tax expense of Discontinuing operations		-	-	-	-
Profit/(Loss) from Discontinuing operations (after tax)		-	-	-	-
RESTATED PROFIT FOR THE YEAR (E = C-D)		**213.57**	**290.15**	**241.26**	**138.13**
Other Comprehensive Income (OCI)					
A (i) Items that will not be reclassified to profit and loss					
(a) Remeasurement gain/ (loss) on defined employee benefit plans		(2.47)	(2.72)	(4.44)	(2.61)
(ii) Add/less Income Tax effect on above:		2.40	(0.43)	0.46	0.47
B Items that may be reclassified to profit and loss		-	-	-	-
RESTATED OTHER COMPREHENSIVE INCOME/(LOSS) (F)		**(0.08)**	**(3.16)**	**(3.98)**	**(2.15)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (G=E-F)		**213.49**	**286.99**	**237.27**	**135.98**
Earnings per share: Nominal Value 5/- per share (in Rs.)	34				
(1) Basic		4.65	6.31	5.25	3.00
(2) Diluted		4.65	6.31	5.25	3.00

The above Statement should be read with the Annexure V- Material Accounting Policies and other explanatory Notes to Restated Summary Statements, Annexure VI Statement of Restatement Adjustments to Audited Financial Statements and Annexure VII - Notes to the Restated Summary Statements.

As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Davinder Goyal
Partner
Membership No: 091278

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

Place : Ludhiana
Date :

Annexure III- Restated Summary Statement of Cash Flows
(All amounts in INR millions, unless otherwise stated)

Particulars	For The Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES				
PROFIT BEFORE TAX	280.36	381.07	304.33	188.16
Adjustment for :				
Depreciation and Amortization Expense	115.88	229.96	242.72	213.43
Interest Paid	59.29	121.41	132.64	120.88
Interest Received	(3.02)	(13.67)	(24.84)	(21.04)
(Gain)/Loss in Fair Value of Investment	(0.29)	(0.04)	(0.87)	(0.14)
Actuarial Loss	(2.47)	(2.72)	-	-
(Gain)/Loss on Lease Modification	-	-	(0.30)	-
Unrealised (Gain)/Loss on Derivative Instruments	-	-	(2.25)	8.04
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**449.74**	**716.01**	**651.42**	**509.34**
Working capital adjustments:				
(Increase)/ Decrease in Trade Receivables	(186.47)	(89.38)	(12.92)	59.56
(Increase)/ Decrease in Inventories	66.59	(143.08)	(149.80)	(64.74)
(Increase)/ Decrease in Short Term Loans & Advances	(75.17)	3.15	14.41	180.51
(Increase)/ Decrease in Financial Assets & Other Current Assets	(20.41)	(25.63)	1.85	1.52
Increase/ (Decrease) in Financial Liabilities	33.88	150.44	(1.37)	(0.37)
Increase/ (Decrease) in Short-Term Borrowings & Other Payables	(17.97)	70.06	97.63	155.75
CASH GENERATED FROM OPERATIONS	**250.20**	**681.58**	**601.22**	**841.56**
Less: Income Tax Paid (Net of Refund)	70.60	95.00	72.50	61.03
CASH FLOW BEFORE EXTRAORDINARY ITEMS	0.00	586.58	528.72	780.53
EXTRAORINARY ITEMS	-	-	-	-
NET CASH FLOW FROM OPERATING ACTIVITES (A)	**179.60**	**586.58**	**528.72**	**780.53**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment,Intangible Assets, Right of use Asset & CWIP (Net of Sales)	(66.90)	(636.00)	(432.54)	(394.30)
(Increase)/Decrease in Non Current Assets & Investments	(51.94)	143.69	183.08	(303.32)
Interest Received	3.02	13.67	24.84	21.04
NET CASH FLOW/ (USED IN) INVESTING ACTIVITIES (B)	**(115.83)**	**(478.64)**	**(224.61)**	**(676.58)**
C. CASH FLOW FROM FINANCING ACTIVITES				
Proceeds from Issue of Share Capital	-	-	-	-
Proceeds from Long Term Borrowings (net)	106.91	(158.11)	(115.01)	192.71
Interest Paid	(59.11)	(120.99)	(128.68)	(129.28)
Lease Repayments (including interest)	(0.82)	(1.63)	(3.62)	(3.49)
NET CASH FLOW /(USED IN) FINANCING ACTIVITIES (C)	**46.98**	**(280.73)**	**(247.31)**	**59.94**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**110.75**	**(172.80)**	**56.80**	**163.89**
Cash and Cash Equivalents at the beginning of the year	74.35	247.14	190.34	26.45
Cash and Cash Equivalents at the end of the year	185.09	74.35	247.14	190.34

The above Statement should be read with the Annexure V- Material Accounting Policies and other explanatory Notes to Restated Summary Statements, Annexure VI Statement of Restatement Adjustments to Audited Financial Statements and Annexure VII - Notes to the Restated Summary Statements.

Notes:
i). The above restated standalone cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows"
ii). Figures in bracket indicate cash outflow.

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date :

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

SUMMARY OF CONTINGENT LIABILITIES

The details of our contingent liabilities derived from the Restated Financial Information are set forth below

(*₹ in million*)

Particulars	Six month period ended September 30, 2025
Contingent liabilities:	
a) Claims against the Company not acknowledged as debt	
(i) GST Demand (Net of deposit paid)	0.08*
(ii) Income Tax Demand	2.79*
# The above matters are subject to legal proceedings in the ordinary course of business. On the basis of current status of the cases and as per legal advice obtained, wherever applicable, along with the opinion of management, when ultimately concluded will not have material effect on the results of operations or financial operations of the Company. * According to us Income Tax Demands shown on the portal is incorrect. We have also replied against the outstanding demand raised by the department for the removal of the said demand.	
b) Bank Guarantee	1.11
c) Other money for which the Company is contingently liable 1. Letter of Credit 2. Bills Discounted	 Nil 711.62
Commitments	
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	
Tangible assets	Nil
Intangible assets	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil
(c) Other commitments (specify nature)	Nil

* *To the extent quantifiable*

For further details on contingent liabilities as at December 31, 2025, as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, see "***Restated Financial Information – Notes to the Restated Financial Information – Note 38 – Contingent liabilities and commitments***" on page 302.

For details on risks in relation to our contingent liabilities, see *"**Risk Factors** – **We had contingent liabilities which have not been provided for in our financial statements. If these materialize, they could result in an unexpected outflow of resources and liquidity strain.**"* on page 42.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of the related party transactions for six month period ended September 30, 2025 and Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023 as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Financial Information is set out below:

(*₹ in million, unless stated otherwise*)

Particulars	September 30, 2025	% of Revenue from Operations (%)	March 31, 2025	% of Revenue from Operations (%)	March 31, 2024	% of Revenue from Operations (%)	March 31, 2023	% of Revenue from Operations (%)
Remuneration (including bonus & leave with wages)								
Gopal Krishan Kothari	6.76	0.15	13.52	0.18	13.50	0.20	20.30	0.34
Amit Kothari	4.06	0.09	6.76	0.09	8.10	0.12	17.50	0.29
Naveen Behl	6.58	0.14	12.46	0.17	11.41	0.17	10.43	0.17
Manohar Lal Dhiman	0	0.00	2.53	0.03	3.29	0.05	2.99	0.05
Mannat Kothari	2.04	0.04	4.07	0.05	4.05	0.06	4.05	0.07
Madhu Kothari	2.04	0.04	4.07	0.05	4.05	0.06	4.05	0.07
Ashok Bansal	0.85	0.02	-	-	-	-	-	-
Amit Verma	0.32	0.01	0.23	Negligible	-	-	-	-
Gobind Singh Kapoor	-	-	-	-	5.82	0.09	5.37	0.09
Avneet Kaur	-	-	-	-	3.01	0.04	2.49	0.04
Interest Paid								
Amit Kothari	0.11	Negligible	0.36	Negligible	0.44	0.01	2.11	0.04
Naveen Behl	-	-	-	-	-	-	1.01	0.02
Savitri Devi Sarda	0.02	Negligible	0.04	Negligible	0.04	Negligible	0.04	0.00
Madhu Kothari	0.07	Negligible	0.52	0.01	0.31	Negligible	1.58	0.03
Mannat Kothari	0.21	Negligible	0.09	Negligible	0.22	Negligible	0.60	0.01
Tamanna Kothari	0.02	Negligible	-	-	-	-	-	-
G.K. Kothari & Sons	0.51	0.01	7.13	0.10	7.14	0.11	7.23	0.12
Amit Kothari HUF	0.38	0.01	0.70	0.01	0.63	0.01	0.58	0.01
Naveen Behl HUF	0.36	0.01	1.35	0.02	1.35	0.02	0.33	0.01
Sale of Land								
Gopal Krishan Kothari	-	-	5.50	0.07	-	-	-	-
Interest Income								
Oswal Industrial Enterprises Pvt. Ltd.	-	-	10.48	0.14	16.73	0.25	-	-
Freight Paid								
Kothari Exports	44.96	0.96	93.92	1.25	94.16	1.40	11.49	0.19
Rent Received								
Kothari Exports	1.20	0.03	2.40	0.03	2.40	0.04	2.40	0.04
Pure Infratech	-	-	0.05	Negligible	0.04	Negligible	-	-
Shiva Shakti Industries	-	-	0.05	Negligible	0.04	Negligible	-	-
Gopal Krishan Kothari	0.12	Negligible	-	-	-	-	-	
Rent Paid								
Nand Lal Kothari	0.07	Negligible	0.07	Negligible	0.07	Negligible	0.07	Negligible
Tamanna Kothari	0.33	0.01	0.66	0.01	0.49	0.01	-	-
Staff Recruitment & Training								
Tamanna Kothari	2.09	0.04	3.78	0.05	5.28	0.08	4.84	0.08
Amanat Kothari	2.71	0.06	6.71	0.09	-	-	-	-
Unsecured Loan Accepted								
Gopal Krishan Kothari	118.40	2.54	98.40	1.31	109.30	1.63	108.90	1.81
Mannat Kothari	31.93	0.69	3.55	0.05	1.35	0.02	7.72	0.13
Madhu Kothari	7.03	0.15	4.55	0.06	2.15	0.03	28.33	0.47
Amit Kothari	30.4	0.65	56.45	0.75	53.10	0.79	58.79	0.98
G K Kothari & Sons	70.55	1.51	12.37	0.16	45.00	0.67	1.59	0.03
Amit Kothari HUF	5.85	0.13	1.00	0.01	0.51	0.01	0.42	0.01
Savitri Devi	-	-	-	-	-	-	15.00	0.25
Tamanna Kothari	3.30	0.07	-	-	-	-	-	-
Unsecured Loan Granted								
Oswal Industrial Enterprises Pvt. Ltd.	-	-	159.00	2.12	249.00	3.70	-	-
Loan Repayments								
Oswal Industrial Enterprises Pvt. Ltd.	-	-	159.00	2.12	249.00	3.70	-	-
Gopal Krishan Kothari	116.05	2.49	11.12	0.15	98.66	1.47	97.60	1.62
Mannat Kothari	2.82	0.06	0.07	Negligible	3.75	0.06	15.18	0.25
Madhu Kothari	6.87	0.15	0.11	0.00	25.56	0.38	29.69	0.49
Amit Kothari	59.95	1.29	53.65	0.71	52.60	0.78	57.54	0.95
G K Kothari & Sons	71.20	1.53	0.03	0.00	45.60	0.68	2.36	0.04

Particulars	September 30, 2025	% of Revenue from Operations (%)	March 31, 2025	% of Revenue from Operations (%)	March 31, 2024	% of Revenue from Operations (%)	March 31, 2023	% of Revenue from Operations (%)
Naveen Behl	-	-	-	Negligible	-	-	15.00	0.25
Naveen Behl HUF	15.00	0.32	-	-	-	-	-	-
Job Work								
Micro Coaters	12.08	0.26	13.59	0.18	9.44	0.14	6.39	0.11
Power & Fuel, Truck Power & Fuel and Car Expense								
Shaheed N Tundup Sewamandal Autocare	20.15	0.43	26.56	0.35	25.05	0.37	14.85	0.25

For further details of the related party transactions, see "***Restated Financial Information – Note 43 - Related Party Disclosures***" on page 304.

GENERAL INFORMATION

Our Company was originally incorporated as "Kay Jay Forgings Private Limited", a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated August 5, 1983, issued by the Registrar of Companies, Punjab, H.P, and Chandigarh at Jalandhar. Our Company changed its registered office from Ludhiana, Punjab to the Union Territory of Delhi pursuant to a certificate of registration of the order of the Company Law Board confirming the transfer of the registered office from one state to another, issued by the Additional Registrar of Companies, Delhi & Haryana on September 22, 1987. Subsequently, pursuant to a Board resolution dated November 18, 2024 and a special resolution passed in the extraordinary general meeting of our Shareholders held on December 16, 2024, our Company was converted into a public limited company, consequent to which, the name of our Company was changed to "Kay Jay Forgings Limited" and a fresh certificate of incorporation dated December 19, 2024, was issued by Registrar of Companies, Central Processing Centre.

Registered Office of our Company

Kay Jay Forgings Limited

A-8, Maya Puri Industrial Area Phase-1,
New Delhi, Delhi -110064, India.

For details of changes in our Registered Office, see *"**History and Certain Corporate Matters**"* on page 220.

Corporate Office of our Company

Kay Jay Forgings Limited

E-2, Focal Point,
Ludhiana, Punjab -141010, India

Corporate Identification Number: U74899DL1983PLC029298

Company Registration Number: 29298

Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

Registrar of Companies, National Capital Territory of Delhi-I at South Delhi

4th Floor, IFCI Tower,
61, Nehru Place,
New Delhi -110019, India

Board of Directors of our Company

Details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus are set forth below:

Name	Designation	DIN	Address
Gopal Krishan Kothari	Chairman and Managing Director	00026734	House No-23 H, Sarabha Nagar, Near Guru Nanak Publick School, Ludhiana, Punjab – 141001, India
Naveen Behl	Whole-time Director	01322486	House No 47 C, Phase 1 Focol Point Ward No 13, Focal Point S.O, Ludhiana, Punjab -141010, India
Amit Kothari	Executive Director	00027392	House No.23 H, Sarabha Nagar, Ludhiana, Punjab – 141001, India
Jatender Kumar Mehta	Independent Director	00028207	Vedaang Farm, 08, Tropical Drive, M.G. Road Village - Ghitorni, Mehrauli, South Delhi, Delhi – 110030, India
Pankaj Periwal	Independent Director	01007486	House No. 777, Patel Nagar, Civil Lines, Ludhiana, Punjab - 141001, India
Mohina	Independent Director	10876188	B-180/C Flat No.3, 3rd Floor, Chhattarpur Enclave, Phase II, Street No. 17, Chattarpure, Chattar pur South Delhi, Delhi - 110074, India

For brief profiles and further details in relation to our Board of Directors, see "***Our Management – Board of Directors***" on page 224.

Our Company Secretary and Compliance Officer

Amit Verma is the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

Amit Verma

E-2, Focal Point, Ludhiana,
Punjab -141010, India.

Telephone No: +91 78 8900 3811
Email ID: cs.ldh@kayjayforgings.com

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares 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 BRLM.

All Offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or first bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information 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.

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 applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Manager

PL Capital Markets Private Limited

3rd Floor, Sadhana House,
570, P. B. Marg, Behind Mahindra Tower,
Worli, Mumbai - 400018, India
Telephone No: +91 22 6632 2222
E-mail: kayjayipo@plindia.com
Investor grievance e-mail: grievance-mbd@plindia.com
Website: www.plindia.com
Contact person: Narendra Gamini / Ashwinikumar Chavan
SEBI registration no: INM000011237

Legal Counsel to the Offer as to Indian Law

Dentons Link Legal
1102, 11th Floor, Tower 1,
One International Center,
Senapati Bapat Marg,
Prabhadevi (West),
Mumbai - 400013, India.
Telephone: +9122 6625 2222
E-mail: ecm.india@dentonslinklegal.com

Statutory Auditors of our Company

M/s. Goyal Sanjay & Associates, Chartered Accountants
86/2, 1st Floor, Government College Road, Civil Lines, Ludhiana, Punjab -141001, India
Telephone No: +91 82 8901 4931
E-mail: gsa1990@gmail.com
ICAI Firm Registration Number: 010083N
Peer Review Certificate Number: 017528

Changes in Statutory Auditors

Except as stated below, there has been no change in our statutory auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of Change	Reason for Change
M/s. Goyal Sanjay & Associates, Chartered Accountants 86/2, 1st Floor, Government. College Road, Civil Lines, Ludhiana, Punjab – 141001, India **E-mail**: gsa1990@gmail.com **Firm Registration Number**: 010083N **Peer Review Number**: 017528	September 30, 2024	Appointment as the Statutory Auditor of our Company for a term of five years
M/s Mohinder Vij & Associates 6, Gian Market, G.T Road, Miller Ganj, Opp. Ramgarhia Gurudwara, Ludhiana, Punjab – 141003, India **E-mail**: mohinderkvij1969@gmail.com **Firm Registration Number**: 012839N **Peer Review Number**: Not Applicable	September 30, 2024	Cessation due to expiry of term of appointment.

Registrar to the Offer

Bigshare Services Private Limited

Telephone No: + 91-22-6263 8200
E-mail: info@bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Website: https://www.bigshareonline.com
Contact person: Babu Rapheal C
SEBI Registration No: INR000001385

Bankers to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Syndicate Members

[●]

Refund Bank(s)

[●]

Sponsor Bank(s)

[●]

Banker(s) to our Company

HDFC Bank Limited
5th Floor, GT Road, Dholewal Chowk,
Ludhiana, Punjab – 141001, India
Telephone No: +91 73000 01632
E-mail: shamsher.singh38@hdfcbank.com
Website: http://www.hdfcbank.com/
Contact person: Shamsher Singh

The Federal Bank Limited
SCO 2471- 2472, Sector 22- C,
Chandigarh, Punjab – 160022, India
Telephone No: +91 – 999 6583 999
E-mail: sumitkm@federalbank.co.in;

Website: www.federalbank.co.in
Contact person: Sumit Munjal

Axis Bank Limited
Plot No. 25, Pusa Road,
Karol Bag, New Delhi.
Telephone No: +91 9999657175
E-mail: Sonu8.sharma@axisbank.com
Website: www.axisbank.com
Contact person: Sonu Sharma

Filing of this Draft Red Herring Prospectus and the Draft Abridged Prospectus

A copy of this Draft Red Herring Prospectus, along with the Draft Abridged Prospectus, has been filed through the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and pursuant to the SEBI ICDR Master Circular. Further, physical copies of this DRHP and the Draft Abridged Prospectus 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 (E), Mumbai,
Maharashtra - 400051, 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, 2013 would be filed with the RoC at its office and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office located at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi -110019, India and through the electronic portal at https://www.mca.gov.in/mcafoportal/loginvalidateuser.do**.**

Statement of inter-se allocation of responsibilities amongst the BRLM

PL Capital Markets Private Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating to coordination and other activities in relation to the Offer shall be performed by it and hence, a statement of inter-se allocation of responsibilities is not applicable.

IPO Grading

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

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency, prior to the filing of the Red Herring Prospectus with the RoC for monitoring the utilisation of the Gross Proceeds. For further details in relation to the proposed utilisation of the Gross Proceeds, please see '***Objects of the Offer***' on page 91.

Appraising Entity

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Offer.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustees

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time.

The list of banks registered with SEBI which offer the facility of ASBA services is available as follows: (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, the list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 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 atwww.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40and updated from time to time and 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 www.sebi.gov.in

Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with the SEBI RTA Master Circular, the SEBI ICDR Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, 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 also provided as Annexure 'A' to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and 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.

Self-Certified Syndicate Banks 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. 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?doRecognisedFpi=yes&intmId=35,as updated from time to time.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks eligible as sponsor banks for UPI Mechanism, including details such as name and contact details, are provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41, or such other websites as updated 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 detailssuch as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, 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 SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10 and on the websites of 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 and on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10, as updated from time to time.

Collecting Depository Participants

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

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received written consent letters dated March 30, 2026 from our Statutory Auditor, namely, M/s. Goyal Sanjay & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) the examination report dated March 5, 2026 relating to the Restated Financial Information as at and for the six month period ended September 30, 2025 and Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023; (ii) the statement of possible tax benefits dated March 30, 2026; and (iii) certificates issued by them in relation to the Offer and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026 from Deepankar Sharma, Independent Chartered Engineer, to include his name in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated March 30, 2026 certifying details in relation to the manufacturing capacity and utilisation at our manufacturing facilities pertaining to our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026, from RBSA Advisors LLP, Independent Consultant, 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, Red Herring Prospectus and the Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to their project report dated March 30, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026 from M/s. H. S. Nijher & Associates, practicing company secretaries, to include their name as required under under Section 26(5) of the Companies Act, 2013, read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their search report dated March 30, 2026 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 the U.S. Securities Act.

Book Building Process

The Book Building process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid Cum Application Forms and the Revision Forms within the Price Band (which will be decided by our Company, in consultation with the Book Running Lead Manager), and which will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLM after the Bid/ Offer Closing Date. For details, see "***Offer Procedure***" beginning on page 386.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or in the case of UPI Bidders, by using the UPI Mechanism. Additionally, the RIBs, Non-Institutional Investors may participate 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.

In terms of the SEBI ICDR Regulations, 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 or the Bid Amount) at any stage. Retail Individual Investors (subject to the Bid Amount being up to ₹ 0.20 million) can revise their Bids during the Bid/Offer Period and withdraw their Bids on or before the Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation in the Offer to QIBs (other than Anchor Investors), Non-Institutional Bidders and Retail Individual Bidders will be on a proportionate basis. Allocation to Anchor Investors will be on a discretionary basis.

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 Book Building Process and the method and process of Bidding, see *"**Terms of the Offer**", "**Offer Procedure**"* and "***Offer Structure***" on pages 374, 386 and 381, respectively.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Offer.

Investors should note that Offer is also subject to (i) filing of the Prospectus with the RoC; and (ii) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines in compliance with the SEBI ICDR Regulations or such other time as prescribed under applicable law.

For an illustration of the Book Building Process, price discovery process and allocation, see "***Offer Procedure***" on page 386.

Underwriting Agreement

Our Company and the Selling Shareholders will enter into an underwriting agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer in accordance with Regulation 40(3) of the SEBI ICDR Regulations. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. 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 after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus, with the RoC as the case may be. This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be Underwritten	Amount underwritten (₹ in million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalised after the pricing and actual allocation and subject to the provisions of Regulation 40(3) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the aforementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The aforementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board of Directors and/or IPO Committee, at its meeting held on [●], approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

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

Notwithstanding the above table, the Underwriters shall be severally and not jointly responsible for ensuring payment with respect to the Equity Shares 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 purchasers for or purchase the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

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

(₹ in million, except share data)

S. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL** (1)		
	80,000,000 Equity Shares of face value of ₹ 5 each	400.00	[●]
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	45,975,360 Equity Shares of face value of ₹ 5 each	229.88	-
C	**PRESENT OFFER** (2) (3) (4)		
	Offer of up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 3,600.00 million	[●]	[●]
	of which:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹3,000.00 million	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹600.00 million (3)	[●]	[●]
	The Offer consists of		
	Employee Reservation Portion of [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million (5)	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value of ₹ 5 each	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 5 each	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		25.78
	After the Offer*		[●]

* *To be updated upon finalization of the Offer Price and subject to Basis of Allotment.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, please see "**History and Certain Corporate Matters - Amendments to our Memorandum of Association in the last 10 years**" on page 220.*

(2) *Our Board has authorised the Offer pursuant to its resolution dated March 5, 2026 and our Shareholders have authorized the Fresh Issue pursuant to a special resolution dated March 6, 2026. Our Board has taken on record the consents of the respective Selling Shareholders in relation to their respective portion of the Offer Shares, pursuant to its resolution dated March 5, 2026. Each of the Selling Shareholders have, severally and not jointly, authorized the inclusion of their respective portion of the Offered Shares in the Offer for Sale. For details, see "**The Offer**" and "**Other Regulatory and Statutory Disclosures**" on page 61 and 364 respectively.*

(3) *The Equity Shares of face value of ₹5 each being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations and are otherwise eligible for being offered for sale as a part of the Offer in terms of the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see "**The Offer**" and "**Other Regulatory and Statutory Disclosures - Authority for the Offer**" on page 61 and 364 respectively.*

(4) *Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

(5) *Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹0.50 million. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million. For further details, see "**The Offer**" on page 61 and "**Offer Structure**" on page 381.*

Notes to Capital Structure

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

(a) *History of Equity Share capital of our Company*

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason/ Nature of allotment	Name of the allottee(s) along with number of shares allotted to each allotee		Nature of consideration (Cash/Other than Cash)	Cumulative number of equity Shares	Cumulative paid- up equity share capital
August 5, 1983[(1)]	20	100	100	Initial subscription to the Memorandum of Association	**Name of allottee**	**Number of equity shares allotted**	Cash	20	2,000
					Krishan Kumar Jajoo	10			
					Vijya Jajoo	10			
August 3, 1988	3,980	100	100	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	4,000	400,000
					Krishan Kumar Jajoo	2,980			
					Gopal Krishan Kothari	1,000			
March 31, 1989	500	100	100	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	4,500	450,000
					Kay Jay Leasing Limited	500			
July 22, 1991	3,500	100	100	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	8,000	800,000
					Hema Engineering Industries Private Limited	1,500			
					Kay Jay Auto Private Limited	1,500			
					Madhu Kothari	10			
					Rakhi Oswal	10			
					Amit Kothari	10			
					Gopal Krishan Kothari	470			
June 3, 1995	5,530	100	100	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	13,530	1,353,000
					Gopal Krishan Kothari	5,530			
March 29, 1999	44,790	100	100	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	58,320	583,200
					Gopal Krishan Kothari	40,250			
					Amit Kothari	1,250			
					Madhu Kothari	3,250			
					Shyam Sunder Kothari	20			
					Ramji Dass Kothari	20			
February 5, 2006	50,520	100	NA	Allotment pursuant to Scheme of Amalgamation I[(2)]	**Name of allottee**	**Number of equity shares allotted**	Other than cash	108,840	10,884,000
					Gopal Krishan Kothari	42,250			
					G K Kothari & Sons	3,200			
					Madhu Kothari	3,010			
					Amit Kothari	1,210			

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason/ Nature of allotment	Name of the allottee(s) along with number of shares allotted to each allotee		Nature of consideration (Cash/Other than Cash)	Cumulative number of equity Shares	Cumulative paid- up equity share capital
					Rakhi Oswal	710			
					Amit Kothari HUF	100			
					Nand Lal Kothari	30			
					Shyam Sunder Kothari	10			
February 10, 2006	5,600	100	500	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	114,440	11,444,000
					Rakhi Oswal	5,600			
March 24, 2006	12,557	100	900	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	126,997	12,699,700
					Gopal Krishan Kothari	7,000			
					Madhu Kothari	2,223			
					Amit Kothari	3,334			
December 26, 2006	11,120	100	900	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	138,117	13,811,700
					Gopal Krishan Kothari	4,225			
					Madhu Kothari	4,670			
					Amit Kothari	2,225			
August 18, 2009	5,556	100	900	Further issue	**Name of allottee**	**Number of equity shares allotted**	Cash	143,673	14,367,300
					Gopal Krishan Kothari	5,556			
Pursuant to a resolution of our Board dated November 16, 2022, and Shareholders' resolution dated December 23, 2022, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued, subscribed and paid-up share capital of our Company comprising 143,673 equity shares of face value of ₹100 each was sub-divided into 1,436,730 equity shares of face value of ₹10 each.									
Pursuant to a resolution of our Board dated August 13, 2025, and the resolution passed by the Shareholders at the Annual General Meeting dated August 16, 2025 equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹5 each. Consequently, the issued, subscribed and paid-up share capital of our Company comprising 1,436,730 equity shares of face value of ₹10 each was sub-divided into 2,873,460 Equity Shares of face value of ₹5 each.									
August 18, 2025	43,101,900	5	NA	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	**Name of allottee**	**Number of equity shares allotted**	NA	45,975,360	229,876,800
					Gopal Krishan Kothari	37,510,800			
					Amit Kothari	2,408,400			
					Madhu Kothari	2,072,400			
					Naveen Behl	60,000			
					G K Kothari & Sons	990,000			
					Amit Kothari HUF	60,000			
					Mannat Kothari	300			

(1) *Our Company was incorporated on August 5, 1983. The date of subscription to the MoA was July 28, 1983. The allotment of equity shares pursuant to the initial subscription was taken on record by our Board on August 18, 1983.*

(2) *Pursuant to the order dated October 20, 2005 passed by the Hon'ble High Court of Delhi in the matter of scheme of amalgamation (the "**Scheme of Amalgamation I**") under section 391 and 394 and other relevant provisions of the Companies Act, 1956 between Sheet Components Private Limited ("**Transferor Company**") and our Company. The Scheme of Amalgamation I became operational with effect from the appointed date, i.e., April 1, 2004 and the effective date of the Scheme of Amalgamation I was January 23, 2006 ("**Effective Date**"). Our Company allotted 50,520 equity shares of ₹ 100 each aggregating to ₹ 5,052,000 to the then shareholders of the Transferor Company on February 5, 2006, being the record date, in the ratio of one equity share for every one equity share held by such shareholder in the Transferor Company.*

(b) History of Preference Share Capital of our Company:

Our Company has not issued any preference shares since its incorporation

2. ***Secondary transaction of equity shares within our Company***

*Except as disclosed in "- **Build-up of Promoters' Equity Shareholding in our Company**" on page 82 and as set out below, there have been no secondary transactions of equity shares by our Promoters, members of the Promoter Group and the Selling Shareholders, as on the date of this Draft Red Herring Prospectus:*

Date of transfer	Name of the transferor	Name of the transferee	Nature of transaction	Number of equity shares transferred	Face value per equity share (₹)	Acquisition/ transfer price per equity share (₹)	Nature of consideration
March 31, 1989[#]	Vijya Jajoo	VK Gattani	Transfer	10	100	100	Cash
September 29, 1990[#]	VK Gattani	Chandresh Jajoo	Transfer	1	100	100	Cash
December 6, 1991	Hema Engineering Industries Private Limited	Vijya Jajoo	Transfer	1,500	100	100	Cash
December 6, 1991	Kay Jay Auto Private Limited	Krishan Kumar Jajoo	Transfer	1,500	100	100	Cash
October 20, 1992	Kay Jay Leasing Limited	Vijya Jajoo	Transfer	500	100	100	Cash
October 20, 1992	VK Gattani	Nand Lal Kothari	Transfer	9	100	100	Cash
October 20, 1992	Chandresh Jajoo	Ramji Dass Kothari	Transfer	1	100	100	Cash
February 2, 1994	Krishan Kumar Jajoo	Madhu Kothari	Transfer	2,090	100	100	Cash
February 2, 1994	Krishan Kumar Jajoo	Rakhi Oswal	Transfer	400	100	100	Cash
November 2, 1996	Madhu Kothari	G K Kothari & Sons	Transfer	10	100	100	Cash
June 10, 1998	Madhu Kothari	G K Kothari & Sons	Transfer	90	100	100	Cash
September 20, 2004	Rakhi Oswal	Amit Kothari HUF	Transfer	100	100	100	Cash
June 28, 2019	Shyam Sunder Kothari	Madhu Kothari	Transfer	4,950	100	5,150	Cash
June 28, 2019	Nand Lal Kothari	Savitri Devi	Transfer	39	100	100	Cash
June 28, 2019	Shyam Sunder Kothari	Savitri Devi	Transfer	30	100	100	Cash
June 28, 2019	Ramji Dass Kothari	Savitri Devi	Transmission	21	100	100	NA
August 31, 2019	Raminder Pal Singh	Madhu Kothari	Transfer	815	100	5,400	Cash
July 31, 2025	Madhu Kothari	Naveen Behl	Transfer	2,000	10	1,060	Cash
August 1, 2025	Savitri Devi	Madhu Kothari	Transfer by way of gift	1,900	10	NA	NA

[#] *We have placed reliance on minutes of the Board/ its committees and annual reports, to the extent available and as applicable. For details, see "**Risk Factors - We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain discrepancies in the corporate records of our Company and the forms filed with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, and we will not be subject to any penalty imposed by the competent regulatory authority in this regard.** " on page 43.*

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

i. As on the date of this Draft Red Herring Prospectus, our Company has not issued any equity shares out of revaluation reserves since its incorporation.

ii. Except as disclosed below, our Company has not issued any equity shares in the past for consideration other than cash or by way of bonus issue

Date of allotment	Nature / Reason for allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Name of allottees		Benefits accrued to our Company
February 5, 2006	Allotment pursuant to Scheme of	Other than cash	50,520	100	NA	**Name of allottee**	**Number of equity shares allotted**	This allotment was pursuant to the Scheme

Date of allotment	Nature / Reason for allotment	Nature of consideration	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Name of allottees		Benefits accrued to our Company
	Amalgamation I [(1)]					Gopal Krishan Kothari	42,250	of Amalgamation I, by way of which our Company *inter alia* intended (a) pooling of managerial, technical, financial and other resources; (b) greater flexibility to market and meet customer needs, with enhanced capabilities and resources at its disposal; and (c) creating greater synergies between the businesses of the companies.
						G K Kothari & Sons	3,200	
						Madhu Kothari	3,010	
						Amit Kothari	1,210	
						Rakhi Oswal	710	
						Amit Kothari HUF	100	
						Nand Lal Kothari	30	
						Shyam Sunder Kothari	10	
August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	NA	43,101,900	5	NA	**Name of allottee**	**Number of equity shares allotted**	Not Applicable
						Gopal Krishan Kothari	37,510,800	
						Amit Kothari	2,408,400	
						Madhu Kothari	2,072,400	
						Naveen Behl	60,000	
						G K Kothari & Sons	990,000	
						Amit Kothari HUF	60,000	
						Mannat Kothari	300	

(1) *Pursuant to the order dated October 20, 2005 passed by the Hon'ble High Court of Delhi in the matter of scheme of amalgamation (the "**Scheme of Amalgamation I**") under section 391 and 394 and other relevant provisions of the Companies Act, 1956 between Sheet Components Private Limited ("**Transferor Company**") and our Company. The Scheme of Amalgamation I became operational with effect from the appointed date, i.e., April 1, 2004 and the effective date of the Scheme of Amalgamation I was January 23, 2006 ("**Effective Date**"). Our Company allotted 50,520 equity shares of ₹ 100 each aggregating to ₹50,52,000 to the then shareholders of the Transferor Company on February 5, 2006, being the record date, in the ratio of one equity share for every one equity share held by such shareholder in the Transferor Company.*

4. **Issue of specified securities at a price lower than the Offer Price in the last one year**

The Offer Price shall be determined by our Company, in consultation with the BRLM on or after the Bid/Offer Closing Date. Except as disclosed in "***– History of Equity Share capital of our Company***" on page 78, our Company has not made an issue of Equity Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of filing of this Draft Red Herring Prospectus.

5. **Issue of shares pursuant to a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013**

Except as disclosed in "***– History of Equity Share capital of our Company***" on page 78, our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act 2013.

6. **Details of build-up, contribution and lock-in of Promoters' shareholding and lock-in of other Equity Shares**

As on the date of this Draft Red Herring Prospectus, our Promoters cumulatively hold 42,580,480 Equity Shares of face value of ₹ 5 each constituting 92.62 % of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) *Build-up of Promoters' Equity Shareholding in our Company:*

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

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	% of pre-Offer Equity Share capital	% of post-Offer Equity Share capital
Gopal Krishan Kothari							
August 3, 1988	1,000	Further issue	Cash	100	100	Negligible	[●]
July 22, 1991	470	Further issue	Cash	100	100	Negligible	[●]
February 2, 1994	2,000	Transfer of equity shares from Krishan Kumar Jajoo	Cash	100	100	Negligible	[●]
February 2, 1994	2,000	Transfer of equity shares from Vijya Jajoo	Cash	100	100	Negligible	[●]
June 3, 1995	5,530	Further issue	Cash	100	100	0.01	[●]
November 26,1997	(100)	Transfer of equity shares to Savitri Devi	Cash	100	100	Negligible	[●]
March 29, 1999	40,250	Further issue	Cash	100	100	0.09	[●]
February 5, 2006	42,250	Allotment pursuant to Scheme of Amalgamation I (1)	Other than cash	100	100	0.09	[●]
March 24, 2006	7,000	Further issue	Cash	100	900	0.02	[●]
December 26, 2006	4,225	Further issue	Cash	100	900	0.01	[●]
August 18, 2009	5,556	Further issue	Cash	100	900	0.01	[●]
January 10, 2014	6,620	Transfer of equity shares from Rakhi Oswal	Cash	100	770.39	0.01	[●]
August 20, 2018	(1,100)	Transfer of equity shares to Naveen Behl	Cash	100	4,600	Negligible	[●]
August 20, 2018	(7,470)	Transfer of equity shares to Raminder Pal Singh	Cash	100	4,600	(0.02)	[●]
August 20, 2018	(4,950)	Transfer of equity shares to Shyam Sunder Kothari	Cash	100	4,600	(0.01)	[●]
September 7, 2020	6,655	Transfer of equity shares from Raminder Pal Singh	Cash	100	5,950	0.01	[●]
April 1, 2021	1,100	Transfer of equity shares from Naveen Behl	Cash	100	5,600	Negligible	[●]
Pursuant to a resolution of our Board dated November 16, 2022, and Shareholders' resolution dated December 23, 2022, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Accordingly, 111,036 equity shares of face value of ₹100 each held by Gopal Krishan Kothari were split into 1,110,360 equity shares of face value of ₹10 each.							
May 6, 2025	140,000	Shares received by way of Gift from Madhu Kothari	NA	10	Nil	0.30	[●]
Pursuant to a resolution of our Board dated August 13, 2025, and the resolution passed by the Shareholders at the Annual General Meeting dated August 16, 2025 equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹5 each. Accordingly, 1,250,360 equity shares of face value of ₹10 each held by Gopal Krishan Kothari were split into 2,500,720 Equity Shares of face value of ₹5 each.							
August 18, 2025	37,510,800	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	NA	5	Nil	81.59	[●]
Sub Total (A)	**40,011,520**		**-**	**-**	**-**	**87.03**	**[●]**
Amit Kothari							
July 22, 1991	10	Further issue	Cash	100	100	Negligible	[●]
March 29, 1999	1,250	Further issue	Cash	100	100	Negligible	[●]
February 5, 2006	1,210	Allotment pursuant to Scheme of Amalgamation(1)	Other than cash	100	100	Negligible	[●]
March 24, 2006	3,334	Further issue	Cash	100	900	0.01	[●]

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	% of pre-Offer Equity Share capital	% of post-Offer Equity Share capital
December 26, 2006	2,225	Further issue	Cash	100	900	Negligible	[●]
Pursuant to a resolution of our Board dated November 16, 2022, and Shareholders' resolution dated December 23, 2022, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Accordingly, 8,029 equity shares of face value of ₹100 each held by Amit Kothari were split into 80,290 equity shares of face value of ₹10 each.							
August 26, 2024	(10)	Transfer of equity shares to Mannat Kothari	Cash	10	1,000	Negligible	[●]
Pursuant to a resolution of our Board dated August 13, 2025, and the resolution passed by the Shareholders at the Annual General Meeting dated August 16, 2025, equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹5 each. Accordingly, 80,280 equity shares of face value of ₹10 each held by Amit Kothari were split into 160,560 Equity Shares of face value of ₹5 each.							
August 18, 2025	2,408,400	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	NA	5	NA	5.24	[●]
Sub Total (B)	**2,568,960**	-	-	-	-	**5.59**	**[●]**
Total (A +B)	**42,580,480**	-	-	-	-	**92.62**	**[●]**

(1) *Pursuant to the order dated October 20, 2005 passed by the Hon'ble High Court of Delhi in the matter of scheme of amalgamation (the "**Scheme of Amalgamation I**") under section 391 and 394 and other relevant provisions of the Companies Act, 1956 between Sheet Components Private Limited ("**Transferor Company**") and our Company. The Scheme of Amalgamation I became operational with effect from the appointed date, i.e., April 1, 2004 and the effective date of the Scheme of Amalgamation I was January 23, 2006 ("**Effective Date**"). Our Company allotted 50,520 equity shares of ₹ 100 each aggregating to ₹50,52,000 to the then shareholders of the Transferor Company on February 5, 2006, being the record date, in the ratio of one equity share for every one equity share held by such shareholder in the Transferor Company.*

(b) Details of Promoters' Contribution and lock-in

Pursuant to Regulations 14 and 16 (1)(a) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as the minimum promoters' contribution and is required to be locked-in for a period of three years or such other period as prescribed under the SEBI ICDR Regulations, from the date of Allotment ("**Promoters' Contribution**"). Except for the Equity Shares offered by our Promoter Selling Shareholders in Offer for Sale, our Promoters' shareholding in excess of 20% shall be locked in for a period of one year from the date of the Allotment. The details of the Equity Shares held by our Promoters, which shall be locked in for Promoters' Contribution for a period of three years from the date of Allotment are set forth below:

Name of the Promoter	Number of Equity Shares locked-in	Date up to which Equity Shares are subject to lock-in	Date of acquisition of Equity Shares and when made fully paid-up	Nature of transaction	Face value (₹)	Issue/Acquisition price per Equity Share (₹)	Pre- Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* *To be completed prior to filing the Prospectus with the RoC.*

Our Promoters have given consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' 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.

Our Company undertakes that the Equity Shares that are being locked in are not and will not be ineligible for computation of Minimum Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, please see "- ***Details of build-up, contribution and lock-in of Promoters' shareholding and lock-in of other Equity Shares – Build-up of Promoters' Equity Shareholding in our Company***" on page 82.

In this connection, we confirm the following:

i. The Equity Shares offered towards Promoters' Contribution have not been acquired during the three immediately preceding years before filing of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company, or (c) from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

ii. The Equity Shares offered towards Promoters' Contribution have not been acquired by our Promoters during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price;

iii. Our Company has not been formed by the conversion of one or more partnership firms or an a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm;

iv. The Equity Shares forming part of Promoters' Contribution are not subject to any pledge or any other encumbrance; and

v. All Equity Shares held by our Promoters are in dematerialised form as on the date of this Draft Red Herring Prospectus.

(c) Other lock-in requirements:

i. In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for three years as specified above and the Equity Shares offered by the Promoter Selling Shareholders as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment including any unsubscribed portion of the Offer for Sale, in accordance with Regulation 17 of the SEBI ICDR Regulations except for (i) the Equity Shares held by Shareholders who are VCFs, Category I AIFs, Category II AIFs or FVCIs, subject to the conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least one year from the date of purchase by such VCFs or Category I AIFs or Category II AIFs or FVCI Shareholders respectively, (ii) any Equity Shares transferred to and held by employees (whether currently employees or not) of our Company in accordance with ESOP Schemes; and (iii) held by an employee stock option trust or transferred to an employee by an employee stock option trust.

ii. As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

iii. Pursuant to Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations may be pledged only with scheduled commercial banks or public financial institutions or a Systemically Important NBFC or a deposit accepting housing finance company as collateral security for loans granted by such entities, subject to the following:

   a. with respect to the Equity Shares locked-in for a period of one year from the date of Allotment, such pledge of the Equity Shares is one of the terms of the sanction of such loans; and

   b. with respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer, and the pledge of such Equity Shares must be one of the terms of the sanction of the loan.

   However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above in terms of the SEBI ICDR Regulations.

iv. In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters and locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoters and/ or any member of the Promoter Group or a new promoter, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"), and such transferee shall not be eligible to transfer till the lock-in period stipulated in SEBI ICDR Regulations has expired.

v. In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoters and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations for a period of six months from the date of Allotment, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations

(d) *Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors:*

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment, and the remaining 50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

Average cost of acquisition for our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares acquired of our Promoters and the Selling Shareholders, as on the date of this Draft Red Herring Prospectus is:

Name of the Promoter	Number of Equity Shares of face value of ₹ 5 each held as on date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹)(1)
Promoters		
Gopal Krishan Kothari(2)	40,011,520	1.85
Amit Kothari(2)	2,568,960	2.04
Selling Shareholders		
Madhu Kothari	2,210,560	15.99
G K Kothari & Sons	1,056,000	0.31

(1) *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

(2) *Also, the Promoter Selling Shareholders*

Weighted average price at which the equity shares were acquired by the Promoters and the Selling Shareholders in the one year and three years preceding the date of this Draft Red Herring Prospectus

Details of the weighted average price at which equity shares were acquired by our Promoters and Selling Shareholders in the one year and three years preceding the date of this Draft Red Herring Prospectus:

Name of the Shareholder	Number of Equity Shares acquired in the one year preceding the date hereof	Weighted average price of acquisition per equity share (in ₹)(1)	Number of Equity Shares acquired in the three year preceding the date hereof	Weighted average price of acquisition per equity share (in ₹)(1)
Promoters				
Gopal Krishan Kothari(2)	37,650,800	Nil	37,650,800	Nil
Amit Kothari(2)	2,408,400	Nil	2,408,400	Nil
Selling Shareholders				
Madhu Kothari	2,074,300	Nil	2,074,300	Nil
G K Kothari & Sons	990,000	Nil	990,000	Nil

(1) *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

(2) *Also the Promoter Selling Shareholders.*

Weighted average cost of acquisition of all equity shares transacted in one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus:

Period	Weighted Average Cost of Acquisition (in ₹)(1)	Cap Price is 'X' times the Weighted Average Cost of Acquisition(2)	Range of acquisition price: Lowest Price – Highest Price (in ₹) (1)
Last one year preceding the date of this Draft Red Herring Prospectus	0.05	[●]	0-1,060
Last 18 months preceding the date of this Draft Red Herring Prospectus	0.05	[●]	0-1,060
Last three years preceding the date of this Draft Red Herring Prospectus	0.05	[●]	0-1,060

(1) *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

(2) *To be updated upon finalisation of the price band.*

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

Except as stated below, there have been no equity shares that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, Selling Shareholders and members of our Promoter Group.

Name	Date of acquisition	Nature of transactions	Number of equity shares acquired	Face Value per equity share (in ₹)	Acquisition price per equity share (in ₹)(1)*
Promoters					
Gopal Krishan Kothari(2)	May 6, 2025	Shares received by way of Gift from Madhu Kothari	140,000	10	Nil
	August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	37,510,800	5	Nil
Amit Kothari(2)	August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	2,408,400	5	Nil
Promoter Group					
Mannat Kothari	August 26, 2024	Transfer from Amit Kothari to Mannat Kothari	10	10	1,000.00
	August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	300	5	Nil
Madhu Kothari(3)	August 1, 2025	Shares received by way of Gift from Savitri Devi	1,900	10	Nil
	August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	20,72,400	5	Nil
G K Kothari & Sons(3)	August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	9,90,000	5	Nil
Amit Kothari HUF	August 18, 2025	Bonus issue in the ratio of 15 Equity Shares for every 1 Equity Share held	60,000	5	Nil
Shareholders with nominee director rights or other special rights					
N.A.					

(1) As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.

(2) Also the Promoter Selling Shareholders.

(3) Also the Promoter Group Selling Shareholders.

Pre-Offer shareholding as at the date of the Draft Red Herring Prospectus and post-Offer shareholding as at Allotment for Promoters, members of the Promoter Group and top 10 shareholders

Except as disclosed below, none of our Promoters, members of the Promoter Group and additional top 10 shareholders hold any Equity Shares in our Company as at the date of the Draft Red Herring Prospectus and as at the date of Allotment:

Name	Pre-Offer Shareholding as on date of the Draft Red Herring Prospectus		Post-Offer shareholding as at Allotment(1)			
	Number of Equity Shares of face value of ₹5 each	Percentage of pre-Offer Equity Share capital (%)	At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
			Number of Equity Shares of face value of ₹5 each(2)	Percentage of post-Offer Equity Share capital (%)(2)	Number of Equity Shares of face value of ₹5 each(2)	Percentage of post-Offer Equity Share capital (%)(2)
Promoters						
Gopal Krishan Kothari	4,00,11,520	87.03	[●]	[●]	[●]	[●]
Amit Kothari	25,68,960	5.59	[●]	[●]	[●]	[●]
Total (A)	**42,580,480**	**92.62**	[●]	[●]	[●]	[●]
Promoter Group						
Madhu Kothari	22,10,560	4.81	[●]	[●]	[●]	[●]
G K Kothari & Sons	10,56,000	2.30	[●]	[●]	[●]	[●]
Amit Kothari HUF	64,000	0.14	[●]	[●]	[●]	[●]
Mannat Kothari	320	0.00				
Total (B)	**3,330,880**	**7.25**	[●]	[●]	[●]	[●]
Top 10 shareholders other than the above						
Naveen Behl	64,000	0.14	[●]	[●]	[●]	[●]
Total (C)	**64,000**	**0.14**	**[●]**	**[●]**	**[●]**	**[●]**
Total (A+B+C)	**45,975,360**	**100.00**	**[●]**	**[●]**	**[●]**	**[●]**

(1) To be filled in at Prospectus stage, upon finalisation of Price Band.

(2) Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Further, assuming that there is no transfer of shares by the Shareholders between the date of the Price Band advertisement and Allotment, and if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus.

7. **Shareholding pattern of our Company**

The table below presents the equity shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus#:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX) — Number of Voting Rights — Class eg: Equity Shares	Number of Voting Rights — Class eg: Others	Number of Voting Rights — Total	Total as a % of (A+B+C)	Number of shares Underlying Outstanding convertible securities (including Warrants) (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 share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII) — Number (a)	Number of Locked in shares (XII) — As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) — Number (a)	Number of Shares pledged or otherwise encumbered (XIII) — As a % of total Shares held (b)	Non-Disposal Undertakings (XV) — Number (a)	Non-Disposal Undertakings (XV) — As a % of total Shares held (b)	Other encumbrances, if any (XVI) — Number (a)	Other encumbrances, if any (XVI) — As a % of total Shares held (b)	Total number of equity shares encumbered (XVII) = (XIV+XV+XVI) — Number (a)	Total number of equity shares encumbered (XVII) = (XIV+XV+XVI) — As a % of total Shares held (b)	Number of equity shares held in dematerialised form (XIV)
(A)	Promoter and Promoter Group	6	45,911,360	-	-	45,911,360	99.86	45,911,360	-	45,911,360	99.86	-		99.86		-		-							45,911,360
(B)	Public	1	64,000	-	-	64,000	0.14	64,000	-	64,000	0.14	-		0.14		-		-							64,000
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-		-		-		-							-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-		-		-		-							-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-		-		-		-							-
	Total **(A+B+C)**	**7**	**45,975,360**	-	-	**45,975,360**	**100.00**	**45,975,360**	-	**45,975,360**	**100.00**	-		**100.00**		-		-							**45,975,360**

 # Based on beneficiary position statement as available on March 27, 2026

8. **Details of shareholding of the major Shareholders of our Company:**

(a) Set forth below are details of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value ₹5 each	Percentage of the pre-Offer capital (%)
1.	Gopal Krishan Kothari	40,011,520	87.03
2.	Amit Kothari	2,568,960	5.59
3.	Madhu Kothari	2,210,560	4.81
4.	G K Kothari & Sons	1,056,000	2.30
Total		**45,847,040**	**99.73**

(b) Set forth below are the details 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 this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value ₹5 each	Percentage of the pre-Offer capital (%)
1.	Gopal Krishan Kothari	40,011,520	87.03
2.	Amit Kothari	2,568,960	5.59
3.	Madhu Kothari	2,210,560	4.81
4.	G K Kothari & Sons	1,056,000	2.30
Total		**45,847,040**	**99.73**

(c) Set forth below are the details of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of equity shares of face value ₹10 each	Percentage of the pre-Offer capital (%)
1.	Gopal Krishan Kothari	1,110,360	77.28
2.	Madhu Kothari	2,09,180	14.56
3.	Amit Kothari	80,280	5.59
4.	G K Kothari & Sons	33,000	2.30
Total		**1,432,820**	**99.73**

(d) Set forth below are details of Shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company as of two years, prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares of face value ₹10 each	Percentage of the pre-Offer capital (%)
1.	Gopal Krishan Kothari	1,110,360	77.28
2.	Madhu Kothari	2,09,180	14.56
3.	Amit Kothari	80,290	5.59
4.	G K Kothari & Sons	33,000	2.30
Total		**1,432,830**	**99.73**

9. **Details of the shareholding of our Promoters and members of our Promoter Group**

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Promoters and members of our Promoter Group hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	Number of Equity Shares of face value ₹5 each	Percentage of the pre-Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
Promoters				
1.	Gopal Krishan Kothari	40,011,520	87.03	[●]
2	Amit Kothari	2,568,960	5.59	[●]
Promoter Group				
3.	Madhu Kothari	2,210,560	4.81	[●]
4.	G K Kothari and Sons	1,056,000	2.30	[●]
5	Amit Kothari HUF	64,000	0.14	[●]
6.	Mannat Kothari	320	Negligible	[●]
Total		**45,911,360**	**99.86**	**[●]**

10. **Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 5 each	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
1.	Gopal Krishan Kothari	40,011,520	87.03	[●]
2.	Amit Kothari	2,568,960	5.59	[●]
3.	Naveen Behl	64,000	0.14	[●]
4.	Mannat Kothari	320	Negligible	[●]
Total		**42,644,800**	**92.76**	[●]

11. **Issue of equity shares under employee stock option scheme**

Our Company does not have any employee stock option schemes as on the date of this Draft Red Herring Prospectus.

12. All issuances of equity shares since the date of incorporation of our Company, have been in compliance with the relevant provisions of the Companies Act, 1956 and Companies Act, 2013.

13. Our Company, our Directors and BRLM have not entered into any buy-back arrangements for purchase of Equity Shares from any person or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

14. None of the BRLM and their respective associates (determined as per the definition of 'associate company' under the Companies Act and as per definition of the term 'associate' under the SEBI Merchant Bankers Regulations), hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus. BRLM and their respective associates and affiliates their capacity as principals or agents may engage in the transactions with and perform services for our Company and its respective Directors and officers, partners, trustees, affiliates, associates 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 and each of its respective Directors and officers, partners, trustees, affiliates, associates or third parties, for which they have received or may in the future receive customary compensation.

15. Our Company does not have any partly paid-up Equity Shares as of the date of this Draft Red Herring Prospectus and all Equity Shares Allotted in the Offer will be fully paid-up at the time of Allotment.

16. Except for the (i) the Fresh Issue ; and (ii) the Pre-IPO Placement, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or refund of application monies.

17. There have been no financing arrangements whereby the members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

18. None of our Promoters, members of our Promoter Group, our Directors, or their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

19. Except the Offer, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public Offer of Equity Shares or qualified institutions placements or otherwise. Provided however, that the foregoing restrictions do not apply to the issuance of any Equity Shares under the Offer.

20. As of the date of this Draft Red Herring Prospectus, the total number of holders of the Equity Shares is seven.

21. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and members of our Promoter Group during the period between the date of this Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transaction.

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

23. Neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager or the Syndicate Members (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Manager or insurance companies promoted by entities which are associate of Book Running Lead Manager or AIFs sponsored by the entities which are associate of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager) shall apply in the Offer under the Anchor Investor Portion.

24. None of the Shareholders of the Company are directly or indirectly related with the Book Running Lead Manager and/or their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.

25. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters and members of our Promoter Group are pledged or otherwise encumbered.

26. As on the date of this Draft Red Herring Prospectus, our Company has not granted any options under any employee stock option scheme and neither has issued any Equity Shares or stock appreciation rights pursuant to any employee stock purchase scheme or stock appreciation right scheme. Further, there are no outstanding warrants or convertible securities, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

27. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company, our Directors, the Selling Shareholders, our Promoters, members of our Promoter Group or Group Company, shall offer or make payment of any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

28. Our Promoters and members of the Promoter Group shall not participate in the Offer, except by way of participation as Selling Shareholders, as applicable, in the Offer for Sale.

29. As on the date of this Draft Red Herring Prospectus, all Equity Shares held by our Shareholders are held in dematerialized form.

30. Our Company shall ensure that the Pre-IPO Placement, if undertaken, shall be reported to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law.

31. The Book Running Lead Manager is not an associate of our Company or the Selling Shareholders as per Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.

OBJECTS OF THE OFFER

The Offer is of up to [●] Equity Shares of face value of ₹ 5 each aggregating to ₹ 3,600.00 million comprising a Fresh Issue of [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 3,000.00 million by our Company, and an Offer for Sale of up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 600.00 million by the Selling Shareholders. For details, see "***The Offer***" on page 61.

Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale by the Selling Shareholders will not form part of the Net Proceeds. Each of the Selling Shareholders shall be entitled to their respective portions of the proceeds of the Offer for Sale, after deducting their respective portions of the Offer related expenses and relevant taxes thereon.

Fresh Issue

The details of the Net Proceeds of the Fresh Issue are proposed to be utilized in the following manner:

(₹ in million)

Particulars	Estimated Amount
Gross Proceeds of the Fresh Issue [(1) (3)]	Up to 3,000.00
(Less) Offer related expenses [(3)]	[●]
Net Proceeds [(1) (2)]	[●]

(1) Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

(2) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

*(3) For details, please see "- **Offer Related Expenses**" on page 108.*

Requirement of funds

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

1. Funding the capital expenditure requirements of our Company towards:

    (a) Setting up of a new facility at Ludhiana, Punjab for manufacturing forged components ("**Proposed Forging Facility**");

    (b) Setting up of a new facility at Ludhiana, Punjab for manufacturing machined components ("**Proposed Machining Facility**"); and

    (c) Setting up of a solar power plant at Village Buttar Bakhua, Tehsil Gidderbaha, District Sri Mukatsar Sahib, Punjab ("**Proposed Solar Plant**").

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

3. General corporate purposes.

*(collectively referred to as the "**Objects**").*

In addition to the above Objects, our Company expects to achieve the benefits of listing of its Equity Shares on the Stock Exchanges including enhancement of our Company's visibility and brand image, and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities; (ii) to undertake the activities proposed to be funded from the Net Proceeds ; and (iii) to undertake the activities for which loan facilities were borrowed and which are proposed to be repaid/pre-paid from the Net Proceeds.

Utilization of Net Proceeds

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

(₹ in million)

Particulars	Amount proposed to be funded from the Net Proceeds [1]
Funding the capital expenditure requirements of our Company towards: (a) Setting up of the Proposed Forging Facility (b) Setting up of the Proposed Machining Facility (c) Setting up of the Proposed Solar Plant	1,188.03
Repayment/ pre-payment, in full or in part, of certain borrowings availed by our Company	905.11
General corporate purposes [2]	[●]
Net Proceeds[2]	**[●]**

[1] *Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.*

[2] *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(₹ in million)

Particulars	Total estimated cost[1]	Amount Already deployed as at March 15, 2026[2]	Estimated Amount to be funded from Net Proceeds [3]	Estimated deployment of the Net Proceeds	
				Fiscal 2027	Fiscal 2028
Funding the capital expenditure requirements of our Company towards: (a) Setting up of the Proposed Forging Facility (b) Setting up of the Proposed Machining Facility (c) Setting up of the Proposed Solar Plant	1,425.19	237.16	1,188.03	1,040.64	147.39
Re-payment and/or pre-payment, in full or in part, of certain borrowings availed by our Company	905.11	-	905.11	905.11	-
General corporate purposes [4]	[●]	-	[●]	[●]	[●]
Net Proceeds [3]	**[●]**	**237.16**	**[●]**	**[●]**	**[●]**

[1] *Total estimated cost based on the Project Report (as defined below).*

[2] *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to their certificate dated March 30, 2026.*

[3] *Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as*

amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

(4) *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

The aforementioned requirement of funds is based on (a) current business plan of our Company; (b) internal management estimates based on prevailing market conditions, and current and valid quotations obtained from various third-party vendors, which are subject to change in the future; (c) the Project Report dated March 30, 2026, issued by RBSA Advisors LLP, Independent Consultant ("**Project Report**"); and (d) the certificate dated March 30, 2026 from M/s. Goyal Sanjay & Associates, Chartered Accountants, in relation to repayment/pre-payment of our debt. The fund requirements, the proposed deployment of funds and the intended use of the Net Proceeds as described herein are based on the abovementioned factors, and other commercial and technical factors. However, such fund requirements and deployment of funds described herein have not been appraised by any bank or financial institution or any other independent agency. Our historical expenditure may not be reflective of our future expenditure plans.

Our Company may decide to accelerate the estimated deployment of Net Proceeds ahead of the schedule of implementation specified above. Any such change in our plans may require rescheduling of our proposed schedule of deployment and increasing or decreasing expenditure for a particular Object vis-à-vis the utilization of Net Proceeds. We may also have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of business and strategy and other external factors such as change in cost, financial and market conditions, demand for our products, change in technology, our management's analysis of economic trends and business requirements, competitive landscape as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy, delay in procuring and operationalizing assets, obtaining necessary licenses and approvals or other external factors, which may not be within the control of our management. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For further details, please see "***Risk Factors - The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variation in the utilization of the Net Proceeds would be subject to shareholders' approval, which may restrict our ability to respond rapidly to changing business conditions.***" on page 36.

In the event the estimated utilization out of the Net Proceeds is not completely utilized for the Objects during the respective periods stated above due to factors such as (i) economic and business conditions, (ii) delay in procuring necessary licenses and approvals, (iii) delay in completion of the Offer, (iv) market conditions outside the control of our Company, and (v) any other commercial considerations, the remaining unutilized portion of the Net Proceeds shall be utilized (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, due to various factors, including considerations as set out above, we may decide or have to utilize a portion of the Net Proceeds allocated for the subsequent year in the previous year. Any such change in our plans may require rescheduling of our schedule of deployment and increasing or decreasing expenditure for a particular Object vis-à-vis the utilization of Net Proceeds.

In case of any surplus after utilization of the Net Proceeds towards the aforementioned capital expenditure requirements, we may use such surplus towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Gross Proceeds in accordance with applicable laws. Further, in case of any variations in the actual utilization of funds earmarked towards funding of our proposed Objects as set forth above, then any increased fund requirements for a particular Object may be financed by any surplus funds available in respect of the other Objects for which funds are being raised in this Offer, subject to utilization towards general corporate purposes not exceeding 25% of the Gross Proceeds. Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by our Company by exploring a range of options available to us, including utilizing our internal accruals, additional equity funding or seeking additional debt. Our Company may, from the date of the filing of the Draft Red Herring Prospectus till the date of listing of Equity Shares on Stock Exchanges(s), spend certain amount towards the Objects. If such amount is incurred, it will be utilized from the internal accruals or any other means by the Company and same amount shall be recouped out of the Net Proceeds.

Means of finance

The fund requirements for the Objects detailed above are proposed to be met from the Net Proceeds and our internal accruals.

In relation to the proposed capital expenditure requirements, the total estimated cost of ₹1,425.19 million is proposed to be funded as follows:

(₹ in million)

Particulars	Amount
Total estimated cost towards proposed capital expenditure **(A)** [(1)]	1,425.19
Amount deployed as of March 15, 2026 **(B)** [(2)]	237.16
Amount to be funded from the Net Proceeds **(A - B)**	**1,188.03**

[(1)] *Total estimated cost based on the Project Report.*

[(2)] *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to their certificate dated March 30, 2026.*

Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations.

Details of the Objects

1. Funding the capital expenditure requirements of our Company towards: (a) setting up of the Proposed Forging Facility; (b) setting up of the Proposed Machining Facility; and (c) setting up of the Proposed Solar Plant

(a) Setting up of the Proposed Forging Facility

As on the date of this Draft Red Herring Prospectus, we operate six manufacturing facilities, with four being in Ludhiana, Punjab and two in Hosur, Tamil Nadu. For the six month period ended September 30, 2025, our aggregate manufacturing capacity was 21,050 MT/A for forged components and 2,59,94,970 pieces per annum for machined components.

The forging market in India has been growing consistently. According to the CARE Report, the domestic forging industry in India has exhibited consistent growth, expanding from USD 3.1 billion in Fiscal 2020 to an estimated USD 4.7 billion in Fiscal 2025. Within the forged crankshaft component market segment, we are the largest supplier of crankshaft and crankshaft assemblies to OEMs in India for two-wheelers with an estimated domestic market share of ~36% in Fiscal 2025 *(source: CARE Report)*.

We have established a presence in the precision components manufacturing industry due to our ability to manufacture and supply complex and quality precision components according to our customers' specifications. We propose to set up a manufacturing facility at Ludhiana, Punjab being the Proposed Forging Facility, which is intended to add dedicated forging capacity of 16,800 MT/A for manufacturing forged components. Forging is a core upstream process in our value chain and directly underpins our key products, including crankshaft assemblies, connecting rods, lower bracket assemblies, steering yokes and other critical components. During the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, the actual production of forged components constituted 78.66%, 75.77%, 66.75% and 57.05%, respectively of the installed capacity. To address the increasing demand for our products and create headroom for future growth, we propose to utilize a portion of the Net Proceeds towards setting up the Proposed Forging Facility which is intended to add dedicated forging capacity for our key product lines and will be equipped with hammers, forging presses, and heating furnace. This incremental capacity is expected to (i) support higher volumes for crankshafts and related components supplied to our existing machining facilities at Ludhiana and Hosur, (ii) enable us to develop and supply forgings for new components and variants for both automotive and non-automotive applications, and (iii) reduce process bottlenecks in our current operations by better balancing forging capacity with downstream machining and assembly.

The Proposed Forging Facility is also expected to enhance our backward-integration model by increasing the proportion of forgings captively consumed within our machining and assembly operations, thereby reducing reliance on third-party sources, improving traceability and supporting consistent performance across the value chain.

Land

We have acquired land situated at Industrial Plot C-18 situated at Focal Point, Phase-1, Ludhiana, Punjab admeasuring approx. 4,981.16 square meters. The land on which we propose to establish the Proposed Forging Facility is owned by our Company and is registered in our name.

Estimated Cost for setting up the Proposed Forging Facility

The total estimated cost for the Proposed Forging Facility is ₹ 705.16 million, as per the Project Report dated March 30, 2026 issued by RBSA Advisors LLP, Independent Consultant. Out of this estimated cost, ₹113.26 million has already been deployed as at March 15, 2026 and balance will be funded from the Net Proceeds.

The detailed break-down of the total estimated cost for setting up the Proposed Forging Facility is set forth below:

(₹ in million)

Particulars	Total estimated cost (1)	Amount deployed as at March 15, 2026 (3)	Amount proposed to be funded from Net Proceeds
Land	102.09	102.09	-
Building and Site Development	74.54(2)	11.17	63.37
Plant and machinery	528.53	-	528.53
Total	**705.16**	**113.26**	**591.04**

(1) *Total estimated cost based on the Project Report.*
(2) *Inclusive of GST.*
(3) *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, by way of their certificate dated March 30, 2026. For further details, please see - "**Means of finance**" on page 94.*

Break-up of the estimated cost

Land

Cost incurred by the Company towards acquisition of land.

Building and Site Development

The building and site development includes, *inter alia,* set-up of a pre-engineered building, RCC structures for a utility room, gate office, security room, and road work. The total estimated cost for buildings and site development for setting up the Proposed Forging Facility is set forth below:

(₹ in million)

S. No.	Description of Item	Built up Area (in square feet)	Rate Per Unit (in square feet)	Total Estimated Cost (1) (2)	Name of Vendor	Date of Quotation	Validity
1.	Building civil works	29,334	700	20.53	M/s. Tulsi Constructions	February 2, 2026	One year
2.	Building PEB Works	29,334	550	16.13			
3.	Utility Room	6,300	2,000	12.60			
4.	Gate Office and Security room	500	1,500	0.75			
5.	Toilet block	500	2,000	1.00			
Total				**51.01**			
GST (18%)				9.18			
Total (inclusive of GST)				**60.19**			

(1) Total estimated cost based on the Project Report.

The total estimated cost for site development cost for setting up the Proposed Forging Facility is set forth below:

(₹ in million)

S. No.	Description of Item	Built up Area (in square feet unless stated otherwise)	Rate Per Unit (in square feet unless stated otherwise)	Total Estimated Cost (1) (2)	Name of Vendor	Date of Quotation	Validity
1.	Boundary Wall	968 feet	4,500	4.36	M/s. Tulsi Constructions	February 02, 2026	One year
2.	Roads	16,367	330	5.40			
3.	Underground Water Tanks	65,000 (litres)	30 (per litre)	1.95			
4.	Site Development of open space	1,805	250	0.45			
Total				**12.16**			
GST (18%)				2.19			
Total (inclusive of GST)				**14.35**			

(1) Total estimated cost based on the Project Report.

Plant and Machinery

Plant and machinery includes, *inter alia,* machinery and equipment such as forging press, induction billet heaters, trimming press, drop hammers, etc. for the manufacturing of our forged products. The total estimated cost for procurement of plant and machinery is set forth below:

(₹ in million)

Name of Machinery/ Equipment	Name of Vendors	Technical Specifications	Required Quantity	Quote Date	Cost per unit	Total estimated cost (1)(2)	Quote Validity
Circular Saw 80C	Incise Machines	10mm - 82mm	11	September 18, 2025	2.25	24.75	one year
Forging Press	Vertex Industrial Engineering LLP	1600 ton	4	September 22, 2025	49.00	196.00	one year
Forging Press	Vertex Industrial Engineering LLP	750 ton	2	September 22, 2025	21.00	42.00	one year
Induction Billet Heater	Plasma Induction (India) Pvt. Ltd	150 KW	2	December 12, 2025	2.26	4.52	one year
Induction Billet Heater	Plasma Induction (India) Pvt. Ltd	250 KW	2	December 12, 2025	2.97	5.95	one year
Induction Billet Heater	Plasma Induction (India) Pvt. Ltd	350 KW	4	December 12, 2025	3.69	14.77	one year
Induction Billet Heater	Plasma Induction (India) Pvt. Ltd	450 KW	1	December 12, 2025	4.62	4.62	one year
Trimming Press	Milap Industrial Corporation	200 TON, C TYPE	5	September 19, 2025	1.95	9.75	one year
Trimming Press	Milap Industrial Corporation	100 TON, C TYPE	5	September 19, 2025	1.13	5.63	one year
Cooling Conveyors	Amber Anthony Industries Pvt Ltd	10”3’	5	September 19, 2025	4.60	23.00	one year
Drop Hammer	N.K. Forging & Rolling Industries	2500 kilograms	1	September 18, 2025	8.08	8.08	one year
Drop Hammer	N.K. Forging & Rolling Industries	1000 kilograms	2	September 18, 2025	3.74	7.48	one year
Hardening & Tempering Furnace	Combustion Technologies	14 Ton per Day	1	January 17, 2026	8.00	8.00	one year
Normalizing Furnace	Combustion Technologies	12 Ton per Day	2	January 17, 2026	4.00	8.00	one year
Shot Blasting Machine	R.K. Enterprises	600 Kg	2	September 18, 2025	0.78	1.56	one year

Name of Machinery/ Equipment	Name of Vendors	Technical Specifications	Required Quantity	Quote Date	Cost per unit	Total estimated cost (1)(2)	Quote Validity
Knuckle Joint Press	Milap Industrial Corporation	1000 TON	5	September 19, 2025	6.50	32.50	one year
Magnetic Crack Detection Machine	Hi-Tech Marketing & Services	Head Shot	10	September 22, 2025	0.84	8.39	one year
Transformer	Bhatia Electricals	2500 kva	1	September 1, 2025	4.43	4.43	one year
Transformer	Bhatia Electricals	1600 kva	1	September 1, 2025	3.60	3.60	one year
VCB	Bhatia Electricals	800 A	1	September 19, 2025	0.35	0.35	one year
LT Panels	Encon Engineers	25 outgoing	1	September 18, 2025	7.58	7.58	one year
Distribution panel	Encon Engineers	customized	12	September 23, 2025	0.55	6.58	one year
APFC Panel	Encon Engineers	800 kvar	3	September 18, 2025	2.55	7.65	one year
DG	Sudhir Power Ltd	2500 KVA	1	September 19, 2025	19.60	19.60	one year
DG	Sudhir Power Ltd	1500 KVA	1	September 19, 2025	11.70	11.70	one year
Air Compressor	Service Equipment Co.	630 CFM	2	December 6, 2025	3.38	6.75	one year
Air Dryer	Service Equipment Co.	750 CFM	2	December 6, 2025	0.59	1.17	one year
Air Receiver	Service Equipment Co.	2000 Ltr -10 Kg	2	December 6, 2025	0.17	0.33	one year
EOT Crane	Amtech Projects and Products Private Limited	31 Feet Span & Heavy duty, Single Girder 5 Ton Complete	2	September 18, 2025	2.09	4.18	one year
Cooling Tower	Alfacool India	750 TR	2	September 23, 2025	0.92	1.84	one year
Electrical Control Panel	Mangal Engineers	3 VFD with HMI & PLC controlled	1	September 19, 2025	0.95	0.95	one year
Vertical Machining Center	Jyoti CNC Automation Limited	(A) Spindle Power:- 21kw (B) Spindle Type: HSK63 (C) Spindle RPM: 18000 (D) Table Size: 1000/530MM (E) Travel (X,Y,Z): 820X510X510MM (F) Load on Table: 500KG.	4	September 19, 2025	5.20	20.80	one year
Cylindrical Grinder	Micromatic grinding	400X127X50MM WHEEL	1	September 4, 2025	11.29	11.29	one year
Vertical Turret Milling Machine	Bhavya Machine Tools LLP	Table 800*200	1	September 20, 2025	0.33	0.33	one year
Lathe Machine	Amico Enterprise	6' ½" (1985mm)	2	September 10, 2025	0.64	1.29	one year
Surface Grinder	Ramana Machine Tools	10mm x 20mm	2	September 19, 2025	0.24	0.49	one year
EOT Crane	Amtech Projects and Products Private Limited	23.5 feet span and heavy duty, Single girder 5 Ton complete	1	September 10, 2025	1.94	1.94	one year

Name of Machinery/ Equipment	Name of Vendors	Technical Specifications	Required Quantity	Quote Date	Cost per unit	Total estimated cost (1)(2)	Quote Validity
3d scanning machine for die inspection	APM Technologies 3D Private Limited	31 feet span and heavy duty, single girder 5 ton complete	1	September 10, 2025	2.09	2.09	one year
Catia Software	EDS Technologies	3D Experience Catia PCS+M3S) On-Premise - Perpetual License	1	September 24, 2025	2.45	2.45	one year
UG Software	NXG High Tech	3D Software	1	September 15, 2025	0.57	0.57	one year
Dform Upgrade Software	Advanced Forming Technology Center	Forging & Sheetmetal Simulation	1	December 15, 2025	5.57	5.57	one year
Total						528.53	

(1) Total estimated cost based on the Project Report.
(2) Exclusive of GST and other applicable taxes.

Schedule of Implementation

Particulars	Estimated Commencement Date	Targeted Completion Date*
Land acquisition	Completed	
Land development	Completed	
Buildings	Work in Progress	August 2026
Plant and machinery	October 2026	May 2027
Electrical Installation	October 2026	May 2027
Furniture and miscellaneous	October 2026	May 2027
Plant commissioning and trial run	January 2027	May 2027
Commercial production	January 2027	May 2027

* *Based on the Project Report.*

Government Approvals

The approvals required at various stages have been set out in the table below. Such approvals are granted on commencement or completion of various activities, as applicable. The necessary approvals for setting up of the Proposed Forging Facility shall be procured as and when they are required in accordance with applicable law. Details of the material approvals and clearances required to be obtained for the Proposed Forging Facility are set out below:

Particulars	Authority	Status
Pre-construction		
Sanction of connection for power	Punjab State Power Corporation Limited	Completed
Layout Plan Approval	Greater Ludhiana Area Development Authority, Punjab	Applied
Consent to Establish	Punjab Pollution Control Board	Applied
Post construction and before commencement of commercial activity		
Increase in Power Load	Punjab State Power Corporation Limited	To be applied
Water Connection and NOC for ground water	Punjab Water Regulation and Development Authority (PWRDA)	To be applied
Consent to Operate	Punjab Pollution Control Board	To be applied
Factory License	Department of Labour (Director of Factories)	To be applied
Fire NOC	Punjab Fire and Emergency Services	To be applied
Hazardous Waste Authorization	Punjab Pollution Control Board	To be applied
ESIC Registration	The Employees' State Insurance Corporation (ESIC), Ludhiana, Punjab	To be applied

**Based on the Project Report*

We will file necessary applications for the Proposed Forging Facility with the relevant authorities for obtaining such approvals as applicable. In the event of any unforeseen delay in obtaining such approvals, the proposed timeline for implementation and deployment of the Net Proceeds may be extended or modified accordingly. For details regarding the risks associated with delays in meeting the anticipated implementation schedule for the Proposed Forging Facility, please refer to the section titled "***Risk***

Factors - We intend to utilize a majority of the Net Proceeds for funding our capital expenditure requirements for the setting up of the Proposed Forging Facility and Proposed Machining Facility in Punjab and there can be no assurance that such expansion will be completed within the estimated costs and timelines." on page 29.

Certain other confirmations

All quotations received from the vendors mentioned below are valid as on the date of this Draft Red Herring Prospectus. However, we are yet to place orders for the planned capital expenditure. We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machinery, equipment or provide the related services at the same costs. If there is any increase in the costs of machinery and equipment, the additional costs shall be paid by our internal accruals and seeking additional debt. The quantity of machinery/ equipment to be purchased is based on the present estimates of our management and could be subject to change in the future. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, modification in GST rates, import duty, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. For further 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. Any variation in the utilization of the Net Proceeds would be subject to shareholders' approval, which may restrict our ability to respond rapidly to changing business conditions.***" on page 36.

Our Company shall have the flexibility to deploy such machinery/ equipment in relation to the planned capital expenditure as may be considered appropriate, according to the business or engineering requirements of our Company. Our Promoter, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the entity from whom we have obtained quotations in relation to such proposed purchase.

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds.

(b) Setting up of the Proposed Machining Facility

Our Company proposes to utilise an amount of up to ₹352.73 million from the Net Proceeds for financing the capital expenditure requirements in relation to Proposed Machining Facility for manufacturing machined components. During the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, the production of machined components at our existing manufacturing facilities was 81.26%, 83.59%, 81.08% and 81.86%, respectively of the installed capacity. To create additional headroom for growth and to cater to increasing demand, we propose to utilize a portion of the Net Proceeds towards setting up a new machining facility at Ludhiana, Punjab being the Proposed Machining Facility which is expected to add machining capacity of 2,894,000 pieces per annum for manufacturing forged components. The Proposed Machining Facility would house CNC turning, milling, drilling, grinding and specialized finishing lines, together with associated inspection, handling and support infrastructure and also have an in-house tool room. The layout is intended to be configured around key product families such as crankshaft assemblies and other safety-critical components, with flexible cells that can be adapted to different variants and platforms. This incremental machining capacity is expected to (i) de-bottleneck our existing manufacturing facilities; and (ii) support higher volumes for existing products supplied to OEMs in the two-wheeler, three-wheeler, four-wheeler and commercial vehicle segments, and the non-automotive sector.

According to the CARE Report, India's domestic machining industry has shown modest recovery since the pandemic-induced slowdown, with market size growing from USD 11.0 billion in FY20 to USD 12.9 billion in FY25, clocking a CAGR of around 3%. The industry is poised for stronger growth over the next five years, projected to reach USD 17.3 billion by FY30, at an expected CAGR of 5–7%. This momentum is largely driven by the rising localization of component manufacturing, government-led Make in-India initiatives, increased private sector capital expenditure in engineering goods and the broader adoption of digital machining solutions.

By expanding our in-house machining capacity, we aim to strengthen our backward-integrated model with forgings supplied from our other manufacturing facilities, and improve control over quality, delivery and cost across the value chain.

Land

The land on which the Proposed Machining Facility is to be set up on parcel of land admeasuring approx. 3,620 square meters located at Plot No. C-2, Focal Point, Phase-1, Ludhiana, Punjab - 141010, India which is owned by us and is free from encumbrances. Accordingly, our Company has acquired the identified land through internal accruals for a total consideration of ₹36.70 million and registered such land in our name through a registered sale deed dated March 6, 2024.

Estimated Cost for setting up the Proposed Machining Facility

The total estimated cost for the Proposed Machining Facility is ₹ 449.43 million as per the Project Report dated March 30, 2026 issued by RBSA Advisors LLP, Independent Consultant. Out of this estimated cost, ₹ 96.70 million has been deployed as at March 15, 2026 and balance will be funded from the Net Proceeds.

The detailed break-down of the total estimated cost for setting up the Proposed Machining Facility is set forth below:

(₹ in million)

Particulars	Total estimated cost(1)	Amount deployed as at March 15, 2026(3)	Amount proposed to be funded from Net Proceeds
Land	36.70	36.70	-
Buildings and Site Development	60.00	60.00	-
Plant and machinery	352.73	-	352.73
Total	**449.43**	**96.70**	**352.73**

(1) Total estimated cost based on the Project Report.

*(2) As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, by way of their certificate dated March 30, 2026. For further details, please see - "**Means of finance**" on page 94.*

Break-up of the estimated cost

Plant and Machinery

Plant and machinery includes, *inter alia,* machinery and equipment such as vertical machining centers ("**VMC**"), CNC, multi-spindle/ multi-coordinate drilling ("**MCD**"), etc. for the manufacturing of our machined products. The total estimated cost for procurement of plant and machinery is set forth below:

(₹ in million)

Name of Machinery /Equipment	Name of Supplier	Technical Specifications	Required Qty.	Quote Date	Cost per unit	Total estimated cost (1)(2)	Quote Validity
VMC (RX-20)	Jyoti CNC Automation Ltd.	820mm X-axis travel, 510mm Y-axis travel, 510mm Z-axis travel.	21	September 17, 2025	2.81	59.01	One Year
CNC Lathe Super Jobber	Ace Designers Ltd.	2 Jaw power operated hollow high speed chuck nominal Ø200mm metric serration (1.5mm x 60°) including suitable power chucking cylinder Bar capacity – Ø51 mm max.	12	September 17, 2025	1.81	21.72	One Year
Centering Machine	Rimaco	Machine floor area W x D x H - 2800 X 1750 X1800 millimetres Component loading height – 950 millimetres Ground clearance - 100 millimetres	4	September 18, 2025	1.55	6.20	One Year
MCD	HI-TECH Marketing & Services	Heavy Duty Electro Magnetic Crack Detection Machine	3	September 22, 2025	0.84	2.52	One Year

Name of Machinery /Equipment	Name of Supplier	Technical Specifications	Required Qty.	Quote Date	Cost per unit	Total estimated cost [(1)(2)]	Quote Validity
		having output Coil Type Having Output 4000 amps					
Hydraulic Thread Rolling Machine with PLC control	Rekofa, India	Max. Pitch - 2.0 Dia. - 25mm Rolling Length In feed- 80mm Max. Rolling Length Though Feed - Indefinite Max. Outer Dia T. Rolls - 160mm Spindle Dia (Bore Dia): 54 mm Max. Rolling Force : 6T	4	September 19, 2025	0.54	2.16	One Year
Induction Annealing Machine	Boss Engineers	25 KW VHF IGBT based Induction heater	6	September 17, 2025	2.60	15.60	One Year
CNC-Angular head profile grinder	Ace Designers Limited	Model SM 63 CNC with Fanuc Oi TF system and servo drives for X, Z slides & Work Head. 45m/s Hydrodynamic Wheel Head spindle & constant surface speed for wheel.	6	September 3, 2025	9.56	57.36	One Year
Cup grinder	Bhagwan Udyog	Cup grinder	6	September 20, 2025	0.45	2.70	One Year
CNC- ID grinder	Micromatic Grinding Technologies Pvt. Ltd.	Maximum component weight (Including Chuck) - 40 KG Maximum Travel - X axis – 250 mm longitudinal table (Z - axis) - Table stroke -250 mm	6	September 04, 2025	11.29	67.74	One Year
Conrod Washing Machine	SP Engineers	240 nos/Hr	5	September 23, 2025	2.82	14.10	One Year
Vertical Double Spindle Drilling SPM	Gahir Industries	SPM	2	September 18, 2025	0.55	1.10	One Year
Double Disc Grinding Machine	Rimaco	Grinding wheel dia.: 500 & 300mm Component thickness to be ground: 30 mm max. Component Length to be ground: 30 to 100 mm In feed of the grinding wheels: 100 mm each.	2	September 18, 2025	5.25	10.50	One Year
Single Pass 6 Spindle Honing Machine	Deepmaya Automation	6 Spindle Machine Head · 8 Station Index station · Mitsubhishi CNC Controller Model E80.	3	September 19, 2025	4.50	13.50	One Year
Honing Machine	Nissin Honning	G50-MM2	4	December 15, 2025	19.63	78.52	One Year
Total						**352.73**	

(1) Total estimated cost based on the Project Report.
(2) Exclusive of GST and other applicable taxes.

Schedule of Implementation

Particulars	Estimated Commencement Date	Targeted Completion Date*
Land acquisition	Completed	
Land Development	Completed	
Buildings	Completed	
Plant and machinery	October 2026	January 2027
Electrical installation	October 2026	January 2027
Furniture and miscellaneous	October 2026	January 2027
Plant commissioning & trial run	January 2027	January 2027
Commercial production	February 2027	February 2027

**Based on the Project Report.*

Government Approvals

The approvals required at various stages have been set out in the table below. Such approvals are granted on commencement or completion of various activities, as applicable. The necessary approvals for setting up of the Proposed Machining Facility shall be procured as and when they are required in accordance with applicable law. Details of the material approvals and clearances required to be obtained for the Proposed Machining Facility are set out below:

Particulars	Authority	Status
Pre-construction		
Sanction of connection for power	Punjab State Power Corporation Limited	Completed
Layout Plan Approval	Department of Labour (Director of Factories)	Completed
Consent to Establish	Punjab Pollution Control Board	Completed
Post construction and before commencement of commercial activity		
Increase in Power Load	Punjab State Power Corporation Limited	Completed
Fire NOC	Punjab Fire and Emergency Services	Completed
ESIC Registration	The Employees' State Insurance Corporation (ESIC), Ludhiana, Punjab	Completed
Factory License	Department of Labour (Director of Factories)	Applied
Consent to Operate	Punjab Pollution Control Board	To be applied
Hazardous Waste Authorization	Punjab Pollution Control Board	To be applied

**Based on the Project Report.*

We will file necessary applications for the Proposed Machining Facility with the relevant authorities for obtaining such approvals as applicable. In the event of any unforeseen delay in obtaining such approvals, the proposed timeline for implementation and deployment of the Net Proceeds may be extended or modified accordingly. For details regarding the risks associated with delays in meeting the anticipated implementation schedule for the Proposed Machining Facility, please refer to the section titled "***Risk Factors - We intend to utilize a majority of the Net Proceeds for funding our capital expenditure requirements for the setting up of the Proposed Forging Facility and Proposed Machining Facility in Punjab and there can be no assurance that such expansion will be completed within the estimated costs and timelines***" on page 29.

Certain other confirmations

All quotations received from the vendors mentioned below are valid as on the date of this Draft Red Herring Prospectus. However, we are yet to place orders for the planned capital expenditure. We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machinery, equipment or provide the related services at the same costs. If there is any increase in the costs of machinery and equipment, the additional costs shall be paid by our internal accruals and seeking additional debt. The quantity of machinery/ equipment to be purchased is based on the present estimates of our management and could be subject to change in the future. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, modification in GST rates, import duty, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. For further 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. Any variation in the utilization of the Net Proceeds would be subject to shareholders' approval, which may restrict our ability to respond rapidly to changing business conditions.***" on page 36.

(c) Setting up of the Proposed Solar Plant

For our manufacturing operations, we consume a substantial amount of power and fuel for our business operations. Adequate and cost-effective supply of power, fuel and water is critical to our manufacturing process. As on the date of this Draft Red Herring Prospectus, our electricity requirements are met through supply from the state electricity grid. We propose to set up a solar photovoltaic power plant with an installed capacity of 12 MWp (DC) / 8 MW (AC) on a land situated at Village Buttar Bakhua, Tehsil Gidderbaha, District Sri Mukatsar Sahib, Punjab, India. Set forth below are details of expenses in relation to our power and fuel costs for the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023:

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Power and fuel cost *(₹ in million)*	184.68	306.29	264.35	210.17
Percentage of total expenses (%)	4.21	4.29	4.10	3.59

**Power, fuel and water expenses are presented net of any subsidies receivable from the Government, as applicable.*

The Proposed Solar Plant is being set by the Company with the objective of reducing our power and fuel costs, reducing the carbon footprint of the Company and optimising resources. The Proposed Solar Plant will be set-up through a power-wheeling and net-metering arrangement with the local distribution company ("**DISCOM**"). The electricity generated from the Proposed Solar Plant will be injected into the DISCOM grid under an approved wheeling framework. The Proposed Solar Plant will have an installed capacity of 12 MW (DC) / 8 MW (AC). Under this structure, the energy units generated at the Proposed Solar Plant will be credited to our account and reflected as set-offs in our monthly electricity invoices for power consumed at our manufacturing facilities. Undertaking the above activities is in line with our business strategies of having continued focus on reducing our operating costs and carbon footprint. For further details of our strategies, see "***Our Business − Revenues from*** *automotive industry is revenue derived from sale of product to automotive industry.*

1. *Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.*
2. *Revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry*
3. *Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.*
4. *Domestic revenue means revenue from sale of products from domestic sales.*
5. *Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.*
6. *Exports revenue means revenue from sale of products from export sales.*
7. *Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.*

Our Strengths" on page 190.

M/s Corrit Energy & Infra has been engaged as the engineering, procurement and construction ("**EPC**") contractor for setting up of the Proposed Solar Plant with a total installed capacity of 12 MW (DC)/ 8 MW (AC), pursuant to purchase order dated September 5, 2025, with an EPC contract value of ₹270.60 million.

Land

Our Company has acquired an agricultural land situated at Village Buttar Bakhua, Tehsil Gidderbaha, District Sri Mukatsar Sahib, Punjab, India, admeasuring approximately 29.12 acres on lease under a registered lease deed dated March 17, 2026 for a tenure of 30 years. No approval for the conversion of land from agricultural to non-agricultural/industrial/commercial is required to be obtained by the Company from the Government of Punjab, for change in the use of the land on which we propose to install the Proposed Solar Plant and the Company can commence development on the same.

Estimated Cost for setting-up of the Proposed Solar Plant

The total estimated cost for setting up the Proposed Solar Plant is ₹ 270.60 million (exclusive of GST and other applicable taxes), as per the Project Report dated March 30, 2026 issued by RBSA Advisors LLP, Independent Consultant, which comprises of civil work, plant & machinery and electrical installation. Out of this estimated cost, ₹ 27.20 million has already been deployed as at March 15, 2026 and ₹243.40 million will be funded from the Net Proceeds

Schedule of Implementation

Particulars	Estimated Commencement Date	Targeted Completion Date
Land acquisition	Completed	
Land Development	Work in progress	April 2026
Buildings	Work in progress	April 2026
Solar Plant installation	April 2026	May 2026
Plant Commissioning & Electricity generation started	May 2026	May 2026

**Based on the Project Report*

Government Approvals

The approvals required at various stages have been set out in the table below. Such approvals are granted on commencement or completion of various activities, as applicable. The necessary approvals for setting up of the Proposed Solar Plant shall be procured as and when they are required in accordance with applicable law. Details of the material approvals and clearances required to be obtained for the Proposed Solar Plant are set out below:

Particulars	Authority	Status
Pre-installation		
Feasibility Report	Punjab State Power Corporation Ltd	Under process
Prior to commissioning		
Connectivity Agreement	Punjab State Power Corporation Ltd	To be applied
PEDA Registration	Punjab Energy Development Agency	To be applied
CEIG Approval	Punjab State Power Corporation Ltd	To be applied
Banking and Wheeling Agreement	Punjab State Power Corporation Ltd	To be applied
Long Term Open Access Agreement	Punjab State Power Corporation Ltd	To be applied
SLDC and NoC	Punjab State Power Corporation Ltd	To be applied

**Based on the Project Report.*

Our Company will undertake the relevant steps to apply to the authorities for the relevant approvals in accordance with applicable law.

Certain other confirmations

If there is any increase in the costs of machinery and equipment, the additional costs shall be paid by our internal accruals and seeking additional debt. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, modification in GST rates, import duty, competition and interest or exchange rate fluctuations, and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. For further 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. Any variation in the utilization of the Net Proceeds would be subject to shareholders' approval, which may restrict our ability to respond rapidly to changing business conditions.***" on page 36.

Our Promoter, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the entity from whom we have obtained quotations in relation to such proposed purchase.

No second-hand or used machinery is proposed to be purchased out of Net Proceeds.

3. Repayment / Pre-payment, in full or in part, of certain borrowings availed by our Company

Our Company has entered into various financing arrangements with banks and other lenders, which include term loans and working capital facilities, including fund-based borrowings. For further details, see ***"Financial Indebtedness"*** beginning on page 325.

As at March 15, 2026, we had an outstanding balance of secured and unsecured fund-based borrowings (long term and short term) of ₹ 1,137.76 million. Our Company proposes to utilize an amount of ₹ 905.11 million from the Net Proceeds towards repayment/ prepayment, of all or a portion of certain borrowings availed by our Company, including accrued interest thereon. We believe that the repayment /pre-payment, will help reduce our outstanding indebtedness, debt servicing costs and assist us in maintaining debt equity ratio and enable utilization of some additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates and additional funds/ capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

Given the nature of the borrowings and the terms of repayment/ prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment or avail of additional credit facilities. Further, our Company may from time-to-time refinance existing borrowings and/ or avail additional borrowings or draw further amounts under existing facilities. Accordingly, a portion of the Net Proceeds may also be utilized towards repayment/ pre-payment (in full or in part) of any such refinanced or additional borrowings, and the table set out below will be suitably updated in the Red Herring Prospectus to reflect any revised amounts or additional facilities, as applicable. In the event the Net Proceeds are not sufficient to meet pre-payment premiums, penalties, interest or related charges in respect of such borrowings, the shortfall will be funded from our internal accruals, subject to applicable law. However, the aggregate amount proposed to be utilized from the Net Proceeds towards this object shall not exceed ₹905.11 million, subject to the other factors set out herein.

For the purposes of the Offer, we have obtained the necessary consent from our lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Offer and for the deployment of the Net Proceeds towards the Objects set out in this section.

The borrowings proposed to be repaid/ pre-paid out of total borrowings of our Company, have been approved by our Board in its meeting dated March 30, 2026 and the identification of such borrowings was based on various factors including (i) the overall cost of the facilities, including interest, fees and ancillary charges; (ii) any contractual restrictions or conditions on pre-payment and the time required to satisfy such conditions; (iii) our ability to obtain requisite lender consents or waivers of pre-payment conditions; (iv) the terms and conditions on which such consents or waivers are granted; (v) any prepayment premium, penalty or related charge and the quantum thereof; (vi) the operational flexibility offered by the relevant facility; and (vii) other commercial parameters, including the nature of the interest rate (fixed or floating), the outstanding principal at the time of pre-payment and the residual maturity profile. The amounts indicated below in respect of each borrowing facility are illustrative, and our Company may apply the Net Proceeds towards repayment /pre-payment of one or more of the identified facilities in such proportions as may be considered commercially appropriate at the time of utilization, including with reference to the then-outstanding amounts.

The following table sets forth details of borrowings availed by our Company, which are outstanding as at March 15, 2026 out of which our Company may repay / pre-pay, all or a portion of any or all of the borrowings, from the Net Proceeds:

(Remainder of the page is intentionally left blank)

(₹ in million)

Sr. No.	Name of the lender	Nature of borrowing	Date of Sanction letter/ facility agreement	Amount sanctioned	Tenure of borrowing	Rate of Interest (% per annum)	Prepayment Penalty/ condition	Repayment schedule / Maturity date	Purpose as mentioned in the sanction letter/ loan agreement and utilized*	Amount Drawn/ utilized from sanction date till March 15, 2026	Amount outstanding as at March 15, 2026
1	Axis Bank	Term Loan	March 12, 2024	100.00	72 Months	7.25%	Prepayment charges range from 2% to 4%	March 31, 2030	Towards Procurement of Machinery	100.00	67.80
2		Term Loan	May 14, 2025	100.00	84 Months	7.50%		May 31, 2032	Expansion of its existing capacity	100.00	89.20
3.		Cash Credit	June 02, 2025	255.00	12 Months	7.35%		June 1, 2026	Working capital Requirements	255.00	128.52
4	Bajaj Finance	Term Loan	November 16, 2022	100.00	66 Months	9.10%	2% of the amount proposed to be prepaid	July 5, 2028	Funding Fresh Capex / reimbursement of Capex	100.00	51.43
5		Term loan	July 23, 2021	50.00	75 Months	9.50%		November 5, 2027	Routine Capex Throughout the Year	50.00	18.81
6		WCDL	December 18, 2025	250.00	WCDL - 180 days per Tranche	7.30%		June 16, 2026	Working capital Requirements	250.00	170.00
7	Federal Bank	Emergency Credit Line Guarantee Scheme loan **(ECLGS)**	May 23, 2022	15.00	72 Months	8.23%	As mutually agreed	June 9, 2028	To meet any unforeseen business exigencies caused due to COVID19 Pandemic	15.00	9.03
8	HDFC Bank	Term Loan	February 10, 2023	100.00	66 Months	7.46%	As mutually agreed from time to time.	September 6, 2028	Capex for new Production Lines	100.00	55.00
9		Term Loan	February 10, 2022	78.50	60 Months	7.44%		March 23, 2027	Purchase of machinery	78.50	17.01
10		Term Loan	February 10, 2022	21.50	60 Months	7.44%		March 23, 2027	Purchase of machinery	21.50	4.74
11		Term Loan	June 22, 2022	68.50	63 Months	7.44%		January 1, 2028	Capital Expenditure	68.50	27.40
12		Term Loan	June 22, 2022	31.50	66 Months	7.44%		January 1, 2028	Capital Expenditure	31.50	12.60

13		Term Loan	April 8, 2025	100.00	66 Months	7.75%		November 5, 2030	Capex	100.00	90.00
14		Emergency Credit Line Guarantee Scheme loan (ECLGS Loan)	February 10, 2022	57.69	72 Months	9.00%		April 30, 2028	To augment working capital requirement to enable business unit to meet operating liabilities & restart/ increase operations	57.69	31.25
15		Cash Credit	August 8, 2025	310.00	12 Months	8.00%		August 7, 2026	Working Capital Requirements	310.00	132.32
		Total		**1,637.69**						**1,637.69**	**905.11**

* *In accordance with the SEBI ICDR Regulations, pursuant to the certificate dated March 30, 2026, M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, have certified the utilization of above borrowings for the purposes they were availed.*

4. ***General corporate purposes***

The Net Proceeds will first be utilized for the Objects as set out above. Our Company intends to deploy the balance Net Proceeds aggregating to ₹[●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds may include, but are not restricted to strategic initiatives, funding growth opportunities, and meeting exigencies and contingencies, marketing such as attending exhibitions and brand building exercises and meeting any expenses incurred by our Company including administration, insurance, marketing, repairs and maintenance, payment of taxes and duties, and expenses incurred in the ordinary course of business, as may be applicable.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. The allocation or quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the business requirements of our Company and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board shall have flexibility in utilising surplus amounts, if any, subject to applicable laws. The amount to be utilized from the Net Proceeds towards general corporate purpose shall not be used for utilization for any of the other identified Objects.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million.

The Offer related expenses primarily include listing fees, fees payable to the BRLM and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Banks' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (i) the listing fees, stamp duty payable on issue of Equity Shares pursuant to Fresh Issue and audit fees of statutory auditors (to the extent not attributable to the Offer), and expenses in relation to product or corporate advertisements, i.e., any corporate advertisements consistent with past practices of the Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) which shall be solely borne by the Company; and (ii) fees for counsel to the Selling Shareholders, if any, which shall be solely borne by the respective Selling Shareholders, each of the Company and the Selling Shareholders agree to incur and pay, in the manner specified below, the costs and expenses directly attributable to the Offer, including fees and expenses of the BRLM, legal counsel and other intermediaries, monitoring agency (if applicable), advertising and marketing expenses, printing, underwriting commission, procurement commission (if any), brokerage and selling commission, on a *pro rata* basis, in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, upon listing of the Equity Shares on the Stock Exchange(s) pursuant to the Offer in accordance with Applicable Law. From an administrative perspective, all the expenses relating to the Offer (except for BRLM fees and expenses incurred by the BRLM in relation to the Offer which shall be paid in accordance with the Fee Letter) shall be paid by the Company in the first instance and then upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, the relevant Selling Shareholder agrees that it shall, severally and not jointly, reimburse the Company on a *pro rata* basis, in proportion to its respective portion of the Offered Shares sold in the Offer, for any documented expenses incurred by the Company on behalf of such Selling Shareholder, subject to receipt of supporting documents for such expenses upon the successful completion of the Offer, except for such costs and expenses in relation to the Offer which are paid directly by the Selling Shareholders. In connection with the above, each Selling Shareholder authorizes the Company to deduct from the proceeds of the Offer for Sale directly from the Public Offer Account, expenses of the Offer required to be borne by such Selling Shareholder, if not already paid, in proportion to its respective Offered Shares sold in the Offer, in accordance with Applicable Law including Section 28(3) of the Companies Act, 2013.

The break-up for the estimated Offer expenses are set forth below:

Activity	Estimated expenses *# (₹ in million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
BRLM's fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding/uploading charges for Syndicate Members, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Fees payable to the other advisors to the Offer			
Others	[●]	[●]	[●]

Activity		Estimated expenses *# (₹ in million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
(i)	Listing fees, SEBI filing fees, upload fees, Stock Exchanges processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
(ii)	Printing, distribution and stationery expenses	[●]	[●]	[●]
(iii)	Advertising and marketing expenses	[●]	[●]	[●]
(iv)	Fees payable to legal counsel	[●]	[●]	[●]
(v)	Fees payable to industry service provider	[●]	[●]	[●]
(v)	Fees payable to the Monitoring Agency	[●]	[●]	[●]
(vi)	Miscellaneous ^	[●]	[●]	[●]
Total estimated Offer expenses		[●]	[●]	[●]

* *Offer expenses include applicable taxes. Offer Expenses are estimates and subject to change.*

\# *Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price.*

^ *The other intermediaries in the Offer include Statutory Auditor other Offer related costs*

1) *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)*
*Portion For Eligible Employees**	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price. Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE. No additional uploading/ processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the Bid cum Applications Forms directly procured by them.*

2) *Processing fees payable to the SCSBs on the portion for Individual Bidder and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

*Portion for Retail Individual Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion For Eligible Employees**	*₹ [●] per valid application (plus applicable taxes)*

* *Based on valid ASBA Forms.*

3) *The Uploading Charges/Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:*

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹ [●] per valid Application (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws*

* *Based on valid Bid cum Application Forms.*

4) *Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Bidders (using UPI Mechanism), Non-Institutional Bidders and Eligible Employees which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of the 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)*
*Portion For Eligible Employees**	*[●]% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

5) *The selling commission payable to the Syndicate/ sub-Syndicate Members will be determined 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.*

6) *Bidding charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by Retail Individual Bidders using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.*

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company and Selling Shareholders shall be as mutually agreed in writing amongst the Book Running Lead Manager, their respective Syndicate Members, our Company and Selling Shareholders before the opening of the Offer.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts/Syndicate ASBA mechanism and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/Syndicate ASBA mechanism, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

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.

Bidding charges payable to the Registered Brokers, RTAs/CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion For Eligible Employees**	*₹ [●] per valid application (plus applicable taxes)*

* *Based on valid Bid cum Application Forms*

7) *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 Banks Agreement.*
8) *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 ICDR Master Circular.*

In the event the amount utilised towards issue expenses is less than the estimated issue expenses set out above (the "**Unutilized Expense Amount**"), the Unutilized Expense Amount shall be distributed among our Company and each of the Selling Shareholders proportionately in the ratio of the Equity Shares issued by our Company and sold by each Selling Shareholder in the Offer. Our Company shall utilize its portion of the Unutilized Expense Amount towards general corporate purposes, subject to the amount utilized for general corporate purposes not exceeding 25% of the Gross Proceeds of the Offer or towards repayment/ prepayment, in full or in part, of certain outstanding borrowings and accrued interest thereon availed by our Company or financing the capital expenditure requirements in relation to setting up of Proposed Forging Facility, Proposed Machining Facility and the Proposed Solar Plant.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as amended and until the payment of all Offer expenses, the Offer expenses shall remain in the Public Offer Account. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Gross Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Appraising entity

None of the objects for which the Net Proceeds will be utilized have been appraised by any external agency or any bank/ financial institution.

Bridge Loan

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities, including through secured or unsecured loans or any short-term instrument like non-convertible debentures, commercial papers etc. pending receipt of the Net Proceeds. If any bridge financing is availed to fund any of the Objects mentioned above, then the same would be repaid out of the Net proceeds and such utilization (towards repayment of Bridge Loan) shall be construed to be done for the specific object itself.

Monitoring of utilization of funds

Our Company will appoint a monitoring agency to monitor the Gross Proceeds (including towards general corporate purposes) in accordance with Regulation 41 of the SEBI ICDR Regulations prior to filing of Red Herring Prospectus.

Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds including interim use under a separate head in our balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilized, until the time any part of the Fresh Issue proceeds remains unutilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our financial results. Such heads will include an item-by-item description for all the expense heads and sub-heads disclosed under each of the Objects of the Offer, as set out in this Draft Red Herring Prospectus.

Pursuant to Regulation 32(3) and Part C of Schedule II of 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 shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the 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 unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the Statutory Auditors and such certification shall be provided to the Monitoring Agency.

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 utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the Objects.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and Regulations 59 and Schedule XX of SEBI ICDR Regulations, our Company shall not vary the objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such a special resolution (Postal Ballot Notice) shall specify the prescribed details and be published in daily newspapers, one in English and the other in Hindi (Hindi being the regional language of Delhi, where our Registered Office is situated). Pursuant to Section 13(8) of the Companies Act, 2013, our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations.

Other confirmations

Except to the extent of the proceeds received pursuant to the Offer for Sale, none of our Promoters, Directors, KMPs, Senior Management, Promoter Group or Group Company will receive any portion of the Net Proceeds and there are no material existing or anticipated arrangements/ agreements/ transactions in relation to utilization of the Net Proceeds with our Promoters, Directors, KMPs, Senior Management, Promoter Group or Group Company.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is [●] times the face value at the lower end of Price Band and [●] times at the higher end of the Price Band.

Investors should also refer to "***Risk Factors***", "***Our Business***", "***Restated Financial Information***" "***Summary of Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 20, 186, 246, 63 and 328, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

1. Long-standing relationships with customers and suppliers with a track record of repeat orders.
2. Modern manufacturing facilities with in-house design and a sustained focus on enhancing our capabilities.
3. Backward-integrated manufacturing operations enhancing quality and supply reliability.
4. Product portfolio tailored to customer requirements with the capability to expand product portfolio.
5. Consistent track record of financial performance and strong financial position.
6. Experienced Promoters, Directors, Key Managerial Personnel and Senior Management team and a skilled workforce.

For further details, see *"**Our Business - Revenues from** automotive industry is revenue derived from sale of product to automotive industry.*

8. *Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.*
9. *Revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry*
10. *Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.*
11. *Domestic revenue means revenue from sale of products from domestic sales.*
12. *Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.*
13. *Exports revenue means revenue from sale of products from export sales.*
14. *Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.*

Our Strengths" on page 190.

Quantitative factors

Certain information presented below relating to our Company is derived from the Restated Financial Information for the Fiscals 2025, 2024 and 2023. For details, see the section titled "***Restated Financial Information***" on page 246.

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

I. **Basic and diluted Earnings per Share ("EPS"):**

Financial Year/Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2025	6.31	6.31	3
March 31, 2024	5.25	5.25	2
March 31, 2023	3.00	3.00	1
Weighted Average	5.41	5.41	
Six month period ended September 30, 2025*	4.65	4.65	

* *Non-annualized*

Notes:

i. *Basic EPS (₹) = Basic earnings per share is calculated by dividing the Restated Profit for the year by the number of Equity Shares outstanding at the year-end.*

ii. *Diluted EPS (₹) = Diluted earnings per share is calculated by dividing the Restated Profit for the year by the number of equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year, if any.*

iii. *Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.*

iv. *Pursuant to a resolution passed by our Board on August 13, 2025 and a resolution passed by the Shareholders on August 16, 2025, each equity share of face value of ₹10 each has been split into two Equity Shares of face value ₹5 each and the issuance* *of bonus shares to the equity shareholders in the ratio of 15:1. Accordingly, the issued, subscribed and paid-up capital of our Company was from 45,975,360 equity shares of face value of ₹5 each. For further details, see "Capital Structure –Notes to the Capital Structure" on page 78. Hence, the number of equity shares outstanding for each of the three years considered above has been adjusted retrospectively for all the periods presented.*

v. *The above statements and tables should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Restated Financial Statements.*

vi. *Weighted average EPS= Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights.*

II. Price/Earnings ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share of our Company:

Particulars	P/E at the lower end of the Price Band (no. of times) *	P/E at the higher end of the Price Band (no. of times)*
P/E ratio based on basic EPS for Fiscal 2025	[●]	[●]
P/E ratio based on diluted EPS for Fiscal 2025	[●]	[●]

* *To be populated after finalisation of price band*

III. Industry Peer Group P/ E ratio

Based on the peer company information (excluding our Company) given below in this section

Particulars	P/E ratio
Highest	58.71
Lowest	18.53
Industry Composite	31.19

Notes:

i. *The industry high and low has been considered from the peers set provided later in this chapter. The industry average has been calculated as the arithmetic average of P/E of the industry peers disclosed in this section.*

ii. *The industry P/E ratio mentioned above is based on earnings for the financial year ended March 31, 2025 and market price on March 25, 2026.*

IV. Return on Net Worth ("RoNW%") as derived from the Restated Financial Information

Financial Year	RoNW (%)	Weight
March 31, 2025	17.81	3
March 31, 2024	17.98	2
March 31, 2023	12.51	1
Weighted Average	**16.99**	
Six month period ended September 30, 2025*	11.59	

* *Not annualized*

Notes:

i. *Return on Net worth (%) = Restated Profit for the year as a percentage of the Net worth as at the end of the year.*

ii. *"Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, 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 restated financial information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, where applicable, (in compliance with the provisions of section 2(57) of the Companies Act, 2013 and regulation 2(1)(hh) of the SEBI ICDR Regulations) for the six month period ended September 30, 2025 and financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.*

iii. *Weighted average return on Net Worth = Aggregate of year-wise weighted Return on Net worth divided by the aggregate of weights i.e. (Return on Net worth x Weight) for each year / Total of weights*

V. Net asset value ("NAV") per Equity Share (face value of ₹5 each)

Net Asset Value per Equity Share	(₹)
As on March 31, 2025	35.43
As on September 30, 2025	40.07
After the Offer	
At Cap Price	[●]
At Floor Price	[●]
Offer Price	[●]

* *To be updated on the finalisation of the Price Band. Offer price will be determined on conclusion of the Book Building Process*

Notes:

i. *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

ii. *Net Asset Value per share = Equity attributable to owners of the company divided by weighted average number of shares considered for computing EPS.*

VI. Comparison of Accounting Ratios with listed industry peers

Name of the Company	Standalone/ Consolidated	Face Value per equity share (₹)	EPS (₹)		NAV (per share) (₹)	P/E Ratio	RoNW (%)	Total Income (₹ in million)	Closing price as on March 25, 2026 (₹ per share)
			Basic	Diluted					
Kay Jay Forgings Limited	Standalone	5	6.31	6.31	35.43	[●]	17.81%	7,522.11	[●]
Sansera Engineering Ltd.	Consolidated	2	37.41	37.18	446.96	58.71	7.84%	30,370.07	2183.00
Rolex Rings Ltd	Standalone	1	6.39	6.39	393.67	18.53	16.23%	11,832.66	118.41
Ramkrishna Forgings Ltd	Consolidated	2	22.95	22.95	167.78	22.02	13.66%	40,604.93	505.25
Kalyani Forge Ltd	Standalone	10	22.86	22.86	246.53	25.50	9.27%	2,391.54	583.00

Source: Financial information for our Company is derived from the Restated Financial Information as at and for the financial year ended March 31, 2025.
Notes:
Source: All the financial information for listed industry peer mentioned above is sourced from the annual audited financial results of the company for the year ended March 31, 2025 filed with stock exchanges.
Notes:
i. Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company.
ii. P/E Ratio has been computed based on the closing market price of equity shares (Source: BSE) on March 25, 2026, divided by the EPS provided.
iii. Return on net worth (RoNW) is computed as profit for the year attributable to common shareholders of the parent divided by net worth (excluding non-controlling interest), as at March 31, 2025.
iv. NAV per equity share has been computed as the networth attributable to common shareholders (excluding non-controlling interest) divided by the total number of shares outstanding, as at March 31, 2025.

VII. Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analysing the growth of business in comparison to our peers. The following table highlights our key performance indicators of our financial performance that have a bearing on arriving at the basis for Offer Price and disclosed to our investors during the three years preceding to the date of this Draft Red Herring Prospectus, as at the dates and for the period indicated:

Particulars	Unit	As at September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI*					
Revenue from operations (1)	₹ in million	4,660.63	7,504.64	6,723.16	6,026.92
Gross profit (2)	₹ in million	2,135.92	3,540.31	3,075.25	2,549.16
Gross margin (3)	%	45.83	47.18	45.74	42.30
EBITDA (4)	₹ in million	445.61	714.97	647.10	500.85
EBITDA margin (5)	%	9.56	9.53	9.62	8.31
PAT (6)	₹ in million	213.57	290.15	241.26	138.13
PAT margin (7)	%	4.58	3.87	3.59	2.29
ROE (8)	%	11.59	17.81	17.98	12.51
ROCE (9)	%	12.67	18.98	17.80	12.23
Debt/Total Equity (10)	₹ in million	0.45	0.63	0.83	1.29
Inventory Days (11)	In days	73	89	82	75
Trade Receivables Days (12)	In days	25	24	24	29
Trade Payables Days(13)	In days	49	55	51	48
Cash Conversion Cycle Days (14)	In days	50	59	56	56
Average Net Fixed Asset Turnover Ratio (15)	In times	2.60	4.41	4.71	4.88
Operational KPI*					
Installed Capacity (MTPA) (16)	In numbers	21,050	40,100	40,100	36,900
Revenue from Automotive Industry (17)	₹ in million	4,371.80	7,017.97	6,320.82	5,662.22
Percentage of revenue from Automotive Industry (18)	%	98.66	98.91	99.54	99.84
Revenue from Non-Automotive Industry (19)	₹ in million	59.38	77.14	29.35	0.16
Percentage of revenue from Non-Automotive Industry (20)	%	1.34	1.09	0.46	9.32
Domestic Revenue (21)	₹ in million	3,994.99	6,711.50	5,879.49	5,320.89
Percentage of revenues from domestic sales (22)	%	90.16	94.59	92.59	93.82

Particulars	Unit	As at September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Export Revenue [23]	₹ in million	436.19	383.60	470.69	350.56
Percentage of revenue from exports [24]	%	9.84	5.41	7.41	6.18

* *Certified by Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

Notes:

1. *Revenue from Operations means the revenue from operations for the period / year.*
2. *Gross profit is calculated as revenue from operations minus cost of materials consumed minus (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress.*
3. *Gross Margin is calculated as gross profit divided by revenue from operations*
4. *EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.*
5. *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*
6. *PAT means the profit after tax for the year/ period.*
7. *PAT Margin is calculated as restated profit for the year/ period divided by revenue from operations.*
8. *Return on Equity is calculated as restated profit for the period / year divided by total equity.*
9. *Return on Capital Employed is calculated as EBIT divided by Capital Employed. Capital employed is calculated as total equity plus total borrowings while EBIT is calculated as restated profit for the period / year plus total income tax expense plus finance costs.*
10. *Debt/ Total Equity is calculated as total debt (including current and non-current borrowings) divided by total equity.*
11. *Inventory Days is calculated as Average Inventory divided COGS* 365; while COGS is calculated as cost of materials consumed + Purchase of stock in trade + changes in inventories of Finished Goods, Stock in trade and Work In Progress; for H1FY26 Inventory days is calculated as Average Inventory divided by COGS* 183.*
12. *Trade Receivable Days is calculated as Average Receivables/ Revenue from Operations *365; For H1FY26 Trade Receivable days is calculated as Average Receivable divided by Revenue from Operation *183.*
13. *Trade Payable Days is calculated as Average Payables / COGS * 365; For H1FY26 Trade Payable Days is calculated as Average Payable divided by COGS*183.*
14. *Cash conversion cycle is calculated Inventory Days plus Trade Receivable minus Trade Payable Days.*
15. *Average Net Fixed Assets Turnover Ratio is calculated as revenue from operations for the period / year divided by Average Net Fixed Assets (Property, Plant and Equipment)*
16. *Installed capacity refers to the maximum production capacity of our manufacturing facilities as per the design and technical specifications of the plant and machinery, and as certified by our management/technical consultants, assuming operations under normal working conditions.*
17. *Revenues from automotive industry is revenue derived from sale of product to automotive industry.*
18. *Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.*
19. *Revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry*
20. *Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.*
21. *Domestic revenue means revenue from sale of products from domestic sales.*
22. *Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.*
23. *Exports revenue means revenue from sale of products from export sales.*
24. *Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.*

Explanation for the Key Performance Indicators:

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track, or monitor the operational and/or financial performance of our Company:

KPI	Significance of KPIs
GAAP Measures	
Revenue from operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Gross profit	Gross Profit provides information regarding the value addition by the Company (including its profits) over material cost on sale of products and services by the Company
Gross margin	Gross Margin (%) is an indicator of the value addition by the Company (including its profits) over material cost on sale of products and services by the Company.
PAT	Profit for the Year provides information regarding the overall profitability of the business.
PAT margin	PAT Margin is an indicator of the overall profitability and financial performance of the business.
Non-GAAP Measures	
EBITDA	EBITDA provides information regarding the operational efficiency of the business.

EBITDA margin	EBITDA Margin is an indicator of the operational profitability and financial performance of the business
ROE	RoE provides how efficiently the Company generates profits from shareholders' funds.
ROCE	ROCE provides how efficiently the Company generates earnings from the capital employed in the business
Debt/ Total Equity	Debt to Total Equity Ratio is a measure of the extent to which the Company can cover its debt and represents the debt position in comparison to the equity position. It helps to evaluate the financial leverage.
Inventory Days	Inventory Days represents the average number of days taken by the Company to convert its inventory into sales
Debtor Days	Debtor Days, also referred to as Receivable Days, represents the average number of days the Company takes to collect payments from its customers after a sale is made.
Creditor Days	Creditor Days, also referred to as Payable Days, represents the average number of days the Company takes to make payments to its suppliers after receiving goods or services.
Cash Conversion Cycle Days	Cash Conversion Cycle days indicates the working capital requirements in relation to revenue generated from operations
Average Net Fixed Asset Turnover Ratio	Average Net Fixed Asset Turnover Ratio measures how efficiently a company uses its long-term assets (property, plant, equipment) to generate revenue.
Operational Parameters	
Installed Capacity (MTPA)	This indicator reflects the potential scale of operations and provides a basis for measuring capacity utilization and future growth
Revenue from Automotive Industry [(17)]	To assess the Company's exposure to and dependence on the automotive industry, which may be subject to cyclical demand and sector-specific risks.
Percentage of revenue from Automotive Industry [(18)]	To assess the share of automotive business in the overall revenue mix and the Company's reliance on a single sector.
Revenue from Non-Automotive Industry [(19)]	To assess the extent of revenue diversification and the Company's ability to mitigate sector-specific risks.
Percentage of revenue from Non-Automotive Industry [(20)]	To assess the diversification of the Company's business across multiple end-user (non-auto) industries.
Domestic Revenue [(21)]	Domestic Revenue represents revenue from operations generated from customers within India. To assess the Company's presence in the domestic market and dependence on local demand.
Percentage of revenues from domestic sales [(22)]	Domestic % represents the proportion of total revenue from operations generated from the domestic market. To assess the contribution of domestic operations to the Company's revenue profile.
Export Revenue [(23)]	Export Revenue represents revenue from operations generated from customers located outside India. To assess the Company's global market presence and ability to generate revenues from international customers.
Percentage of revenue from exports [(24)]	Export % represents the proportion of total revenue from operations generated from export markets. To assess the contribution of exports to the Company's overall business and the degree of geographic diversification.

For further details of our other operating metrics, see "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 186 and 328, respectively.

Description on the historic use of KPIs by us to analyse, track or monitor our performance

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are defined under the Ind AS and are not presented in accordance with the Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies, including peer companies and hence their comparability may be limited. Therefore, these KPIs 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 KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for Bidders to use in evaluating our 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 statements prepared in accordance with Ind AS.

Comparison of KPIs based on additions or dispositions to our business:

Our Company has not undertaken a material acquisition or disposition of assets/ business during the years that are covered by the KPIs.

VIII. Comparison of our key performance indicators with listed industry peers

While the listed peers mentioned below operate in the same industry as us, 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. Below are details of the KPIs of our listed peers:

Comparison with listed industry peers at the fiscals ended September 30, 2025:

Particulars	Unit	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financial Parameters						
Revenue from operations (1)	₹ in million	4,660.63	19,227.86	1,198.06	15,915.06	5,269.66
Gross profit (2)	₹ in million	2,135.92	7,619.99	685.26	9,464.16	2,519.42
Gross margin (3)	%	45.83	39.63	57.20	59.47	47.81
EBITDA (4)	₹ in million	445.61	1,692.20	125.00	2,751.96	804.13
EBITDA margin (5)	%	9.56	8.80	10.43	17.29	15.26
PAT (6)	₹ in million	213.57	22.90	35.57	1,343.78	934.94
PAT margin (7)	%	4.58	0.12	2.97	8.44	17.74
ROE (8)	%	11.59	0.07	3.87	4.67	8.02
ROCE (9)	%	12.67	2.14	6.20	6.47	10.99
Debt/ Total Equity (10)	₹ in million	0.45	0.66	0.99	0.07	0.00
Inventory Days (11)	In days	73	125	177	138	164
Trade Receivable Days (12)	In days	25	93	133	29	66
Trade Payable Days (13)	In days	49	179	184	100	61
Cash Conversion Cycle Days (14)	In days	50	39	125	67	169
Average Net Fixed Asset Turnover Ratio (15)	In times	2.60	0.72	1.85	0.88	1.19
Operational Parameters						
Installed Capacity (MTPA) (16)	In numbers	21,050	NA	NA	NA	NA
Revenue from Automotive Industry (17)	₹ in million	4,371.80	NA	NA	NA	NA
Percentage of revenue from Automotive Industry (18)	%	98.66	NA	NA	NA	NA
Revenue from Non-Automotive Industry (19)	₹ in million	59.38	NA	NA	NA	NA
Percentage of revenue from Non-Automotive Industry (20)	%	1.34	NA	NA	NA	NA
Domestic Revenue (21)	₹ in million	3,994.99	NA	NA	NA	NA
Percentage of revenues from domestic sales (22)	%	90.16	NA	NA	NA	NA
Export Revenue (23)	₹ in million	436.19	NA	NA	NA	NA
Percentage of revenue from exports (24)	%	9.84	NA	NA	NA	NA

Comparison with listed industry peers at the fiscals ended March 31, 2025:

Particulars	Units	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financial Parameters						
Revenue from operations (1)	₹ in million	7,504.64	40,341.07	2,366.43	30,167.51	11,548.02
Gross profit (2)	₹ in million	3,540.31	17,886.00	1,243.70	17,754.00	5,701.73
Gross margin (3)	%	47.18	44.34	52.56	58.85	49.37
EBITDA (4)	₹ in million	714.97	5,595.55	240.01	5,147.56	2,406.25
EBITDA margin (5)	%	9.53	13.87	10.14	17.06	20.84
PAT (6)	₹ in million	290.15	4,150.25	83.15	2,168.81	1,739.97
PAT margin (7)	%	3.87	10.29	3.51	7.19	15.07
ROE (8)	%	17.81	13.66	9.27	7.84	16.23
ROCE (9)	%	18.98	7.86	10.11	11.80	19.34
Debt/ Total Equity (10)	₹ in million	0.63	0.66	0.80	0.11	0.01
Inventory Days (11)	In days	89	202	176	131	149
Trade Receivable Days (12)	In days	24	83	110	6	65
Trade Payable Days (13)	In days	55	191	157	106	60
Cash Conversion Cycle Days (14)	In days	59	93	128	31	154
Average Net Fixed Asset Turnover Ratio (15)	In times	4.41	1.69	4.08	1.86	2.54
Operational Parameters						
Installed Capacity (MTPA) (16)	In numbers	40,100	2,68,400	~18,000-24,000	N/A	1,65,000

Particulars	Units	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Revenue from Automotive Industry (17)	₹ in million	7,017.97	28,438.39	N/A	26,668.51	11,548.02
Percentage of revenue from Automotive Industry (18)	%	98.91	78.25	N/A	88.40	100.00
Revenue from Non-Automotive Industry (19)	₹ in million	77.14	7,904.60	N/A	3,499.49	-
Percentage of revenue from Non-Automotive Industry (20)	%	1.09	21.75	N/A	11.60	-
Domestic Revenue (21)	₹ in million	6,711.50	21,522.09	N/A	20,634.91	6,008.21
Percentage of revenues from domestic sales (22)	%	94.59	59.22	N/A	68.40	52.03
Export Revenue (23)	₹ in million	383.60	14,820.90	N/A	9,533.09	5,539.81
Percentage of revenue from exports (24)	%	5.41	40.78	N/A	31.60	47.97

Comparison with listed industry peers at the fiscals ended March 31, 2024:

Particulars	Unit	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financial Parameters						
Revenue from operations (1)	₹ in million	6,723.16	37,045.45	2,367.87	28,114.32	12,217.55
Gross profit (2)	₹ in million	3,075.25	16,157.97	1,230.83	15,938.92	5,946.01
Gross margin (3)	%	45.74	43.62	51.98	56.69	48.67
EBITDA (4)	₹ in million	647.10	7,729.12	138.57	4,798.51	2,619.68
EBITDA margin (5)	%	9.62	20.86	5.85	17.07	21.44
PAT (6)	₹ in million	241.26	2,912.13	45.50	1,875.49	1,560.38
PAT margin (7)	%	3.59	7.86	1.92	6.67	12.77
ROE (8)	%	17.98	11.06	5.55	13.76	17.37
ROCE (9)	%	17.80	14.70	8.06	15.40	23.18
Debt/ Total Equity (10)	₹ in million	0.83	0.42	0.74	0.59	0.02
Inventory Days (11)	In days	82	189	185	115	143
Trade Receivable Days (12)	In days	24	42	105	31	67
Trade Payable Days (13)	In days	51	177	144	97	62
Cash Conversion Cycle Days (14)	In days	56	54	146	49	148
Average Net Fixed Asset Turnover Ratio (15)	In times	4.71	1.96	4.99	2.06	2.85
Operational Parameters						
Installed Capacity (MTPA) (16)	In numbers	40,100	2,10,900	N/A	N/A	1,65,000
Revenue from Automotive Industry (17)	₹ in million	6,320.82	26,979.85	N/A	24,656.98	12,217.55
Percentage of revenue from Automotive Industry (18)	%	99.54	77.10	N/A	87.70	100.0
Revenue from Non-Automotive Industry (19)	₹ in million	29.35	8,013.47*	N/A	3,458.02	-
Percentage of revenue from Non-Automotive Industry (20)	%	0.46	22.90	N/A	12.30	-
Domestic Revenue (21)	₹ in million	5,879.49	20,164.33*	N/A	19,314.32	5,904.44
Percentage of revenues from domestic sales (22)	%	92.59	57.62	N/A	68.70	48.33
Export Revenue (23)	₹ in million	470.69	14,828.99*	N/A	8,799.68	6,313.11
Percentage of revenue from exports (24)	%	7.41	42.38	N/A	31.30	51.67

Comparison with listed industry peers at the fiscals ended March 31, 2023:

Particulars	Unit	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
	(in ₹ million₹ in million unless otherwise stated)					
Financial Parameters						
Revenue from operations (1)	₹ in million	6,026.92	31,928.95	2,658.40	23,460.44	11,789.53
Gross profit (2)	₹ in million	2,549.16	15,503.95	1,137.91	13,285.86	5,791.33

Particulars	Unit	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
	(in ₹ million₹ in million unless otherwise stated)					
Gross margin (3)	%	42.30	48.56	42.80	56.63	49.12
EBITDA (4)	₹ in million	500.85	8,482.70	106.71	3,847.53	2,607.16
EBITDA margin (5)	%	8.31	26.57	4.01	16.40	22.11
PAT (6)	₹ in million	138.13	2,481.08	(1.84)	1,483.42	451.74
PAT margin (7)	%	2.29	7.77	(0.07)	6.32	3.83
ROE (8)	%	12.51	18.77	(0.24)	12.55	6.08
ROCE (9)	%	12.23	20.27	4.01	13.98	12.15
Debt/ Total Equity (10)	₹ in million	1.29	0.85	0.49	0.60	0.11
Inventory Days (11)	In days	75	184	109	108	161
Trade Receivable Days (12)	In days	29	51	101	65	71
Trade Payable Days (13)	In days	48	176	95	100	70
Cash Conversion Cycle Days (14)	In days	56	59	116	74	162
Average Net Fixed Asset Turnover Ratio (15)	In times	4.88	2.06	6.40	1.98	3.07
Operational Parameters						
Installed Capacity (MTPA) (16)	In numbers	36,900	1,87,100	N/A	N/A	1,44,750
Revenue from Automotive Industry (17)	₹ in million	5,662.22	23,347.77*	N/A	18,298.80	11,789.53
Percentage of revenue from Automotive Industry (18)	%	99.84	77.80	N/A	78.00	100.0
Revenue from Non-Automotive Industry (19)	₹ in million	9.22	6,662.22*	N/A	4,222.80	-
Percentage of revenue from Non-Automotive Industry (20)	%	0.16	22.20	N/A	18.0	-
Domestic Revenue (21)	₹ in million	5,320.89	17,558.69*	N/A	16,797.36	5,216.23
Percentage of revenues from domestic sales (22)	%	93.82	58.51	N/A	71.60	44.24
Export Revenue (23)	₹ in million	350.56	12,451.30*	N/A	6,662.24	6,573.30
Percentage of revenue from exports (24)	%	6.18	41.49	N/A	28.40	55.76

Notes:

1. *Revenue from Operations means the revenue from operations for the period / year.*
2. *Gross profit is calculated as revenue from operations minus cost of materials consumed minus (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress.*
3. *Gross Margin is calculated as gross profit divided by revenue from operations*
4. *EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.*
5. *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*
6. *PAT means the profit after tax for the year/ period.*
7. *PAT Margin is calculated as restated profit for the year/ period divided by revenue from operations.*
8. *Return on Equity is calculated as restated profit for the period / year divided by total equity.*
9. *Return on Capital Employed is calculated as EBIT divided by Capital Employed. Capital employed is calculated as total equity plus total borrowings while EBIT is calculated as restated profit for the period / year plus total income tax expense plus finance costs.*
10. *Debt/ Total Equity is calculated as total debt (including current and non-current borrowings) divided by total equity.*
11. *Inventory Days is calculated as Average Inventory divided COGS* 365; while COGS is calculated as cost of materials consumed + Purchase of stock in trade + changes in inventories of Finished Goods, Stock in trade and Work In Progress; for H1FY26 Inventory days is calculated as Average Inventory divided by COGS* 183.*
12. *Trade Receivable Days is calculated as Average Receivables/ Revenue from Operations *365; For H1FY26 Trade Receivable days is calculated as Average Receivable divided by Revenue from Operation *183.*
13. *Trade Payable Days is calculated as Average Payables / COGS * 365; For H1FY26 Trade Payable Days is calculated as Average Payable divided by COGS*183.*
14. *Cash conversion cycle is calculated Inventory Days plus Trade Receivable days minus Trade Payable Days.*
15. *Average Net Fixed Assets Turnover Ratio is calculated as revenue from operations for the period / year divided by Average Net Fixed Assets (Property, Plant and Equipment)*
16. *Installed capacity refers to the maximum production capacity of our manufacturing facilities as per the design and technical specifications of the plant and machinery, and as certified by our management/technical consultants, assuming operations under normal working conditions.*
17. *Revenues from automotive industry is revenue derived from sale of product to automotive industry.*
18. *Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.*
19. *Revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry*

20. *Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.*
21. *Domestic revenue means revenue from sale of products from domestic sales.*
22. *Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.*
23. *Exports revenue means revenue from sale of products from export sales.*
24. *Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.*

Weighted average cost of acquisition ("WACA"), floor price and cap price

a. Price per share of the Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Schemes) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances"):

There has been no primary issuance of equity shares or convertible securities, excluding the issuance of bonus shares, during last eighteen (18) months preceding the date of this DRHP, where such issuance is equal to or more that 5% of the paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

There has been no secondary issuance of equity shares or convertible securities have been transacted by the Promoter, Member of Promoter Group, Selling Shareholder, or Shareholder(s) having the right to nominate director(s) on our Board, 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 our Company (calculated based on the pre-Offer capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c. Price per share based on last 5 primary or secondary transactions

If there are no such transactions to report to under points (1) and (2) above, therefore, information of price per share of the last five primary or secondary transactions (where the Promoters, Promoter Group, the Promoter Selling Shareholder or Shareholder(s) having the right to nominate Director(s) on our Board were a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions:

Date of allotment / transfer	Name of the transferor	Name of the transferee	Number of securities allotted / transferred	Face value per equity share (₹)	Offer / Transfer price per share (₹)	Nature of consideration	Total consideration (₹ in million)
Primary Issuance							
Not applicable							
Secondary Transaction							
August 1, 2025	Savitri Devi	Madhu Kothari	1,900	10	Nil	Gift	Nil
July 31, 2025	Madhu Kothari	Naveen Behl	2,000	10	1,060	Cash	2.12
May 6, 2025	Madhu Kothari	Gopal Krishan Kothari	140,000	10	Nil	Gift	Nil
August 26, 2024	Amit Kothari	Mannat Kothari	10	10	1,000	Cash	0.10

As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to their certificate dated March 30, 2026.

d. 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:

The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition based on Primary Issuances and Secondary Transactions as disclosed below:

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor price in ₹ [●]*	Cap price in ₹ [●]*
Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the DRHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA^	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sales/acquisition of shares (equity/convertible securities), where promoters / promoter group entities or shareholder(s) having the right to nominate director(s) in the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the DRHP, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA^	[●] times	[●] times
Since there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this certificate, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where promoter /promoter group entities or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this certificate irrespective of the size of the transaction			
- Based on primary issuances	NA^^^	[●] times	[●] times
- Based on secondary transactions	15.43	[●] times	[●] times

As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to their certificate dated March 30, 2026.

* *To be updated at Prospectus stage*

Notes:

^ *There were no primary / new issue of shares (equity/ convertible securities) transactions (excluding bonus) in last 18 months prior to the date of this certificate.*

^^ *There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) transactions (where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company) in last 18 months prior to the date of this certificate.*

^^^ *There were no primary transactions (excluding bonus) not older than 3 years prior to the date of this certificate, irrespective of the size of transactions.*

Justification for Basis of Offer Price

The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares (as disclosed above) compared to our Company's KPIs and financial ratios for the six month ended September 30, 2025 and for Fiscals ended March 31, 2025, 2024 and 2023

[●]*

* *To be included at the Prospectus stage*

The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares (as disclosed above) in view of external factors, if any, which may have influenced the pricing of the Offer

[●]*

* *To be included at the Prospectus stage*

The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] per Equity Share has been determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand from investors for Equity Shares 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 Information***" and "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" on pages 20, 186, 246 and 328.

The trading price of the Equity Shares could decline due to the factors mentioned in "***Risk Factors***" or any other factors that may arise in the future and investors may lose all or part of their investment.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors,
Kay Jay Forgings Limited
A-8, Maya Puri Industrial Area Phase-1,
New Delhi, Delhi - 110064,
India **(the "Company")**

PL Capital Markets Private Limited
3rd Floor, Sadhana House,
570 P.B. Marg, Worli,
Mumbai, Maharashtra - 400018,
India.

(PL Capital Markets Private Limited referred to as the "**Book Running Lead Manager**" or "**BRLM**" in relation to the Offer)

Re: Proposed initial public offering of equity shares (the "Equity Shares") of Kay Jay Forgings Limited (the "Company") comprising a fresh issue of the Equity Shares by the Company (the "Fresh Issue") and an offer for sale of Equity Shares by certain existing shareholders of the Company (the "Offer for Sale", and together with the Fresh Issue, the "Offer")

1. We, M/s. Goyal Sanjay & Associates, Chartered Accountants, are the statutory auditor of the Company In connection with the Offer, the Company is required to obtain a certificate from the Statutory Auditors. We hereby confirm the enclosed statement in the Annexure A (the "**Statement**"), provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, as amended by the Finance Act, 2025 (hereinafter referred to as "**Income Tax Laws**"), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, applicable goods and services tax legislations, as promulgated by various states in India, Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 (as extended) including the rules, regulations, circulars, orders and notifications issued thereunder (collectively the "**Taxation Laws**"), available to the Company and its shareholders.

2. A statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("**SEBI ICDR Regulations**"). While the term 'possible special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to possible special tax benefits available to the Company and its shareholders, the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed Statement are not exhaustive and cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them.

3. Several of the benefits mentioned in the accompanying Statement are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. We are unable to express any opinion or provide any assurance as to whether the Company and its shareholders will continue to obtain the benefits per the Statement in future or the conditions prescribed for availing the benefits per the Statement have been/ would be met with.

4. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for a professional tax advice. Our views are based on the existing provisions of Taxation Laws 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**.** Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. 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 consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest in the Offer based on this statement.

5. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and 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.

6. We hereby confirm that while providing this certificate we have 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*,' issued by the ICAI. We have conducted our examination in accordance with the '*Guidance Note on Reports or Certificates for Special Purposes*' 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 give consent to include this statement of possible special tax benefits in the draft red herring prospectus ("**DRHP**"), red herring prospectus ("**RHP**"), prospectus ("**Prospectus**") and in any other material used in connection with the Offer. This report is not to be used, referred to or distributed for any other purpose without our prior written consent.

We also consent to the references to us as "*experts*" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the draft red herring prospectus, red herring prospectus and prospectus of the Company or in any other material used in connection with the Offer.

This certificate is issued for the purpose of the offer, and can be used, in full or part, for inclusion in the DRHP, RHP, Prospectus and any other material used in connection with the offer. We hereby consent to the aforementioned details being included in the DRHP, RHP and Prospectus and consent to the submission of this certificate as may be necessary, to the Securities and Exchange Board of India, any regulatory / statutory authority, stock exchanges where the Equity Shares are proposed to be listed, Registrar of Companies, National Capital Territory of Delhi-I at South Delhi situated at Delhi or any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the offer and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the DRHP, RHP and Prospectus, as the case may be.

This certificate can be relied on by the Company, BRLM and the legal counsels to the Company and the BRLM appointed in relation to the Offer. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Offer commences trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date on which the Equity Shares commence trading on the Stock Exchanges.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the [DRHP/RHP/Prospectus].

Yours faithfully,

For and on behalf of **Goyal Sanjay & Associates**

Chartered Accountants
Firm Registration Number: 010083N
Name: Davinder Goyal
Partner
ICAI Membership Number: 091278
Date: March 30, 2026
Place: Ludhiana
UDIN: 26091278FUYATX1317

ANNEXURE A

TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO KAY JAY FORGINGS LIMITED ('THE COMPANY') AND ITS SHAREHOLDERS

Part A:

Outlined below is the current position of possible special tax benefits available to Kay Jay Forgings Limited ('the Company') and its Shareholders as per the Income Tax Act, 1961 as amended from time to time and as applicable for Financial Year (FY) 2025-26 relevant to Assessment Year (AY) 2026-27 as per the provisions of Finance Act, 2025 (published on March 29, 2025).

1. Possible Special tax benefits available to the Company under the Act:

A. Lower corporate tax rate under Section 115 BAA of the Act

A new Section 115BAA had been inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. FY 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives.

The Amendment Act, 2019 further provided that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("**MAT**") under Section 115JB. The CBDT had further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

The Company has opted for the beneficial tax rate under section 115BAA of the Act from FY 2020- 21 onwards. As the Company has opted for the beneficial tax rate introduced by the ordinance, they are not eligible to avail the exemptions/ incentives as specified under Section 115BAA of the Act. Further, the option once exercised by the Company cannot be subsequently withdrawn for the same or any other FY.

In case the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone); -
- Deduction under clause (iia) of sub-section (1) of Section 32 (Additional depreciation);
- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
- Deduction under Section 35CCD (Expenditure on skill development);
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA
- (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter corporate dividends);
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

B. Deductions from Gross Total Income

- Section 80JJAA: Deduction in respect of employment of new employees

  Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

The deduction u/s 80JJAA of the Act shall be applicable even if the Company avails the benefits of the special rate u/s 115BAA of the Act.

C. Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA

As per Section 80M of the ITA, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139 of the ITA. The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

D. Deduction in respect of expenditure incurred in relation to demerger under Section 35DD of the ITA

As per section 35DD of the ITA, where an Indian company, incurs any expenditure, wholly and exclusively for the purposes of amalgamation or demerger of an undertaking, the company is allowed a deduction of an amount equal to one-fifth of such expenditure for each of the five successive years beginning with the year in which the amalgamation or demerger takes place. The benefit of same may be availed by company in relation any such expenditure incurred for the purpose of amalgamation or demerger.

E. Deduction in respect of capital expenditure incurred in relation to scientific research under Section 35(1)(iv) of the ITA

As per section 35(1)(iv) of the ITA, any expenditure of a capital nature (excluding expenditure incurred on acquisition of any land) incurred on scientific research related to the business carried on by the company can be claimed a revenue deduction.

The deduction under Section 35(1)(iv) is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

2. Possible Special tax benefits available to the Shareholders

A. Tax on Capital gains on sale of listed equity shares in an Indian company

As per Section 112A of the ITA, long-term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at:

- 10% (without indexation) of such capital gains for any transfer which takes place before the 23rd day of July, 2024; and

- 12.5% (without indexation) of such capital gains for any transfer which takes place on or after the 23rd day of July, 2024

subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act 2004 read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,25,000 in a financial year.

Further, as per Section 111A of the ITA, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at: -

- 15% for any transfer which takes place before the 23rd day of July, 2024; and

- 20% for any transfer which takes place on or after the 23rd day of July, 2024

subject to fulfillment of prescribed conditions under the ITA.

B. Simplified/New tax regime As per Section 115BAC of the ITA

Tax regime may be opted for by individuals, Hindu undivided family (‘HUF’), Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, wherein income-tax shall be computed at the rates specified as under:

Total Income	Rate of tax
Upto INR 4,00,000	Nil
From INR 4,00,001 to 8,00,000	5%
From INR 8,00,001 to 12,00,000	10%
From INR 12,00,001 to 16,00,000	15%
From INR 16,00,001 to 20,00,000	20%
From INR 20,00,001 to 24,00,000	25%

Total Income	Rate of tax
Above INR 24,00,000	30%

Pertinent to note that the above rates are subject to the assessee not availing specified exemptions and deductions as specified under said section.

C. Dividend Income:

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80M of the ITA would be available on fulfilling the conditions as mentioned above. Further, if the shareholder is a tax resident of foreign country with which India has a Double taxation Avoidance Agreement ('DTAA'), it may claim benefit of applicable rate as stated in the DTAA, if more beneficial over rate in ITA.

D. Double Taxation Avoidance Agreement Benefit:

In respect of non-resident shareholders, 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 and fulfillment of other conditions to avail the treaty benefit.

NOTES:

1. The above statement of possible special tax benefits sets out the provisions of Direct Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above statement covers only certain possible special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company. The above are based on the existing provisions of the Direct Tax Laws and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retrospective, could have an effect on the validity of the above.

3. The above statement of possible special tax benefits is as per the current Direct Tax Laws relevant for the assessment year 2025-26 Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Direct Tax Laws.

4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

5. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The 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.

Part B:

Outlined below are the possible special tax benefits available to the Company and its Shareholders under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017/relevant State Goods and Services Tax Act (SGST) read with rules, circulars, and notifications ("**GST law**"), The Customs Act, 1962 and the Customs Tariff Act, 1975 as amended by the Finance Act applicable for the Financial Year 2024-25 ("**Customs Law**") and Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20) and Foreign Trade Policy 2023 (FTP) and Industrial and Business Development Policy-2017 read with relevant rules, notifications and circulars, each as amended and presently in force in India (herein collectively referred as "**Indirect Tax Laws**".

1. Possible Special tax benefits available to the Company

A. Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962: As per Section 75 of the Customs Act, the Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods. The Company avails duty drawback benefit equal to or less than the duty paid, as applicable, on imported material when it undertakes export of goods.

B. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign

Trade Policy 2015-20): The Company is availing benefit under the export promotion capital goods scheme *vide* which it is eligible to undertake duty free import of capital goods which are used in manufacturing of goods which are exported out of India. Consequent to this, the Company is under obligation to undertake export of goods within a prescribed time period.

C. Benefits of Remission of Duties and Taxes on Export Products ("RoDTEP") Scheme under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20): The Government of India by making amendment in the Foreign Trade Policy 2015-20 vide DGFT Notification No. 19/2015-20 dated 17.08.2021 introduced this scheme which provides rebate of all hidden Central, State, and Local duties/taxes/levies on the exported goods including prior stage cumulative indirect taxes on goods and services used in the production and distribution of the exported product, which have not been refunded under any other existing scheme. The Company avails RoDTEP benefit as notified, on exported products.

D. Benefits under the Central Goods and Services Act, 2017, respective State / Union Territory Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant rules prescribed thereunder): Under the GST regime, supplies of goods or services which qualify as 'export' of goods or services are zero-rated which can be supplied either with or without payment of Integrated Goods and Services Tax ("**IGST**") subject to fulfilment of conditions prescribed. The exporter has the option to either undertake exports under cover of a Bond/ Letter of Undertaking ("**LUT**") without payment of IGST and claim refund of accumulated input tax credit subject to fulfilment of conditions prescribed for export or the exporter may export with payment of IGST and claim refund of IGST paid on such exports as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017. Thus, the Integrated Goods and Service Tax Act, 2017 permits a supplier undertaking zero rated supplies (which will include the supplier making supplies to SEZ) to claim refund of tax paid on exports as IGST (by undertaking exports on payment of tax using ITC) or export without payment of tax by executing a Bond/ LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

2. Possible Special tax benefits available to the Shareholders of the Company

There are no possible special tax benefits available to the shareholders for investing in the shares of the Company.

NOTES:

1. The above statement of possible special tax benefits is based on the best understanding of the Company's business landscape and tax benefits available to the Company and its shareholders under the Current Indirect Tax Laws presently in force in India.

2. 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 individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

3. This statement does not discuss any tax consequences in the country outside India of an investment in the equity shares of the Company ("**Equity Shares**"). The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible indirect-tax consequences that apply to them.

4. The above statement covers only above-mentioned Indirect Tax Laws benefits and does not cover any income tax law benefits or benefit under any other law.

5. During the period from 1 April 2023 to the date of this Annexure, the Company intends to:

    1) avail above mentioned exemption, benefits & incentives under Indirect Tax Laws

    2) export goods and/or services outside India

    3) import goods and/or services from outside India

6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The 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.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Research Report for Precision Forged and Machined Components in the Automotive Industry" dated March 25, 2026 (the "**CARE Report**") which is exclusively prepared for the purpose of the Offer and issued by CARE Analytics and Advisory Private Limited ("**CARE**") and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CARE was appointed pursuant to the engagement letter entered into with our Company dated May 12, 2025. CARE is not related in any other manner to our Company. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. Further, the CARE Report was prepared on the basis of information as of specific dates and opinions in the CARE Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CARE has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CARE Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CARE Report will be available on the website of our Company at https://www.kayjayforgings.com/ipo.php from the date of the Draft Red Herring Prospectus until the Bid/ Offer Closing Date. Further, the CARE Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CARE Report.*

References to various segments in the CARE Report and information derived there from are references to industry segments and in accordance with the presentation, analysis and categorisation in the CARE Report. Our segment reporting in our financial statements is based on the criteria set out in Ind AS-108, operating segments and we do not present such industry segments as operating segments.

Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to the CARE Report, see "***Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information sourced from the CARE Report, which was commissioned and paid for by us solely for the purposes of the Offer. Any reliance by prospective investors on such information for making an investment decision involves inherent risks.***" on page 53.

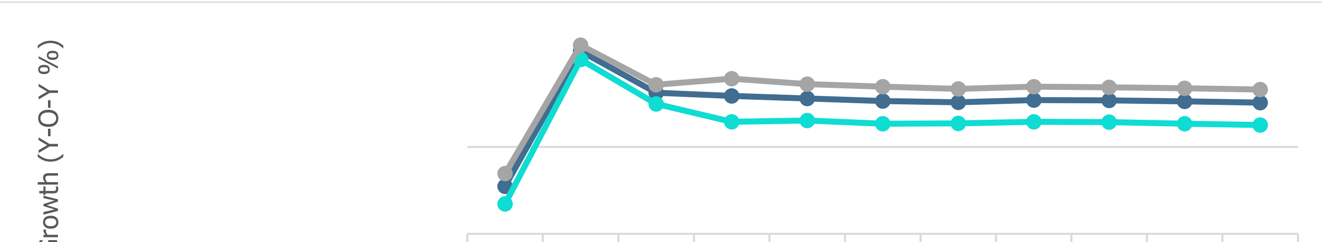
Economic Outlook

Global Economy

Global economic growth expected to sustain at ~3% in near term

Global growth, which reached 3.5% in CY23, stabilized at 3.3% for CY24 and estimated to have decreased at 3.2% for CY25. Global trade is expected to be disrupted by new US tariffs and countermeasures from trading partners, leading to historically high tariff rates and negatively impacting economic growth projections. The global landscape is expected to change as countries rethink their priorities and policies in response to these new developments. Central banks priority will be to adjust policies, while smart fiscal planning and reforms are key to handling debt and reducing global inequalities.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



	CY20	CY21	CY22	CY23	CY24	CY25P	CY26P	CY27P	CY28P	CY29P	CY30P
World	-2.7%	6.6%	3.8%	3.5%	3.3%	3.2%	3.1%	3.2%	3.2%	3.2%	3.1%
Advanced Economies	-3.9%	6.0%	3.0%	1.7%	1.8%	1.6%	1.6%	1.7%	1.7%	1.6%	1.5%
Emerging Market and Developing Economies	-1.8%	7.0%	4.3%	4.7%	4.3%	4.2%	4.0%	4.2%	4.1%	4.1%	4.0%

Source: IMF – World Economic Outlook, October 2025; Notes: P-Projection, E-Estimated

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)										
	CY20	CY21	CY22	CY23	CY24	CY25E	CY26P	CY27P	CY28P	CY29P	CY30P
India	-5.8	9.7	7.6	9.2	6.5	6.6	6.2	6.4	6.5	6.5	6.5
China	2.3	8.6	3.1	5.4	5.0	4.8	4.2	4.2	4.0	3.7	3.4
Indonesia	-2.1	3.7	5.3	5.0	5.0	4.9	4.9	5.0	5.0	5.1	5.1
Saudi Arabia	-3.8	6.5	12.0	0.5	2.0	4.0	4.0	3.3	3.3	3.3	3.3
Brazil	-3.3	4.8	3.0	3.2	3.4	2.4	1.9	2.2	2.3	2.4	2.5
Euro Area	-6.0	6.4	3.6	0.4	0.9	1.2	1.1	1.4	1.3	1.2	1.1
United States	-2.1	6.2	2.5	2.9	2.8	2.0	2.1	2.1	2.1	1.9	1.8
Middle East	-2.2	4.4	5.5	2.2	2.4	3.4	3.5	4	3.7	3.7	3.7
Latin America	-6.9	7.4	4.2	2.4	2.4	2.2	2.4	2.7	2.7	2.7	2.6
Germany	-4.1	3.9	1.8	-0.9	-0.5	0.2	0.9	1.5	1.2	1.0	0.7
Hungary	-4.3	7.2	4.3	-0.8	0.5	0.6	2.1	2.3	2.4	2.5	2.5
France	-7.6	6.8	2.6	1.1	1.1	0.6	1.0	1.2	1.3	1.2	1.2
Japan	-4.2	2.7	0.9	1.5	0.1	0.6	1.0	0.6	0.6	0.5	0.5
Sweden	-2.0	5.9	1.5	-0.1	1.0	1.9	2.2	1.9	1.7	1.7	1.7

Source: IMF- World Economic Outlook Database (October 2025); Note: E- Estimated, P- Projections, India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

Emerging Market and Developing Economies Group

Emerging market and developing economies are estimated to have increased to 4.1% in CY25 and moderate to 4.0% in CY26, with a continued momentum till CY30. The economic forecast for emerging and developing Asian countries is estimated to increase to 5.1% in CY25 and fall to 4.7% in CY26.

In contrast, **India's** growth remains stable, with estimated rates of 6.6%, (increased from 6.2%) in CY25 and 6.2% in CY26. This growth is mainly supported by private consumption.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27-CY28. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP is estimated to be at USD 4.2 trillion for CY25 and is projected to reach USD 5.1 trillion by CY27 and USD 6.8 trillion by CY30. India’s expected GDP growth rate for coming years is almost double compared to the world economy. The Indian economy shows resilience amid global inflation, supported by a stable financial sector, strong service exports and robust investment driven by government spending and high-income consumer consumption, positioning it for better growth than other economies.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at a range of 6.2%-6.5% in the period of CY25-CY30, outshining China’s growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally, hopping over Japan and Germany. Currently, it is the third largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7.9% share in the global economy, with China on the top followed by the United States.

Indian Economic Outlook

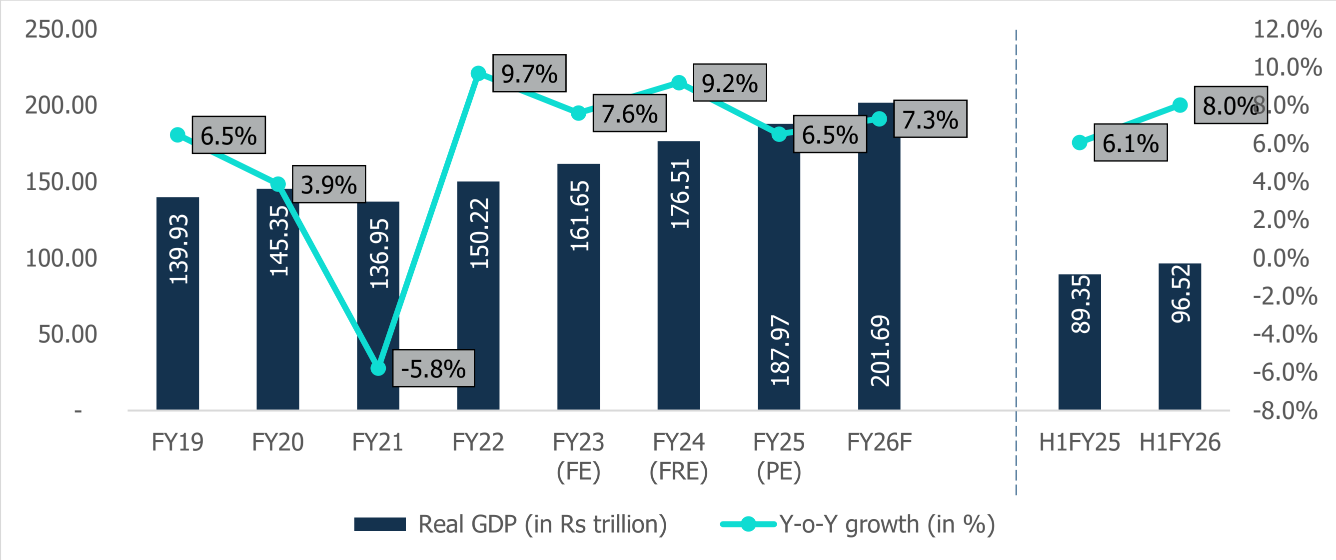
GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India’s economy continues to show rapid growth. In H1FY26, the country’s GDP grew by 8.0% compared to the same period last year, which saw a 6.1% increase. For the full year FY26, GDP is expected to grow by 7.3%, supported by rising rural demand, better job opportunities, and active business conditions.

In FY25, provisional estimates show a growth of 6.5% (Rs 187.97 trillion), led by robust performance in manufacturing, construction, and financial services. Consumer spending rose by 7.6%, and government spending increased by 3.8%, both contributing to the overall growth. In FY24, India’s GDP grew by 9.2% (Rs 176.5 trillion), the highest in over a decade (excluding the pandemic year).

Chart 2: Trend in Real Indian GDP growth rate



Source: MOSPI, Reserve Bank of India.
Note: FE – Final Estimates, FRE- First Revised Estimates, PE – Provisional Estimates, F - Forecasted

GDP Growth Outlook (December 2025)

FY26 GDP Outlook: The RBI projects real GDP growth at 7.3% for 2025–26, driven by industrial and services sectors. The upward trajectory of growth is also due to income tax and goods and services tax (GST) rationalization, softer crude oil prices, increase of government capital expenditure, and facilitative monetary and financial conditions lower inflation rates.

However, risks from prolonged geopolitical tensions, global trade disruptions, and weather-related uncertainties remain. Taking these into account, the RBI has reaffirmed its growth projections.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY26P (complete year)	Q2FY26P	Q3FY26P	Q4FY26P	Q1FY27P
7.3%	7.0%	6.5%	6.7%	6.8%

Source: Reserve Bank of India; Note: P-Projected

Key growth drivers for Indian GDP Growth

- **Improving Employment**

  Employment generation remains a central pillar of India's growth strategy. Recent policy measures such as the Prime Minister's Rozgar Yojana aim to accelerate formalization in the labour market by extending benefits to previously informal workers while creating additional jobs across manufacturing, construction and services. These initiatives, combined with the gradual recovery in industrial activity, are expected to strengthen labour participation and support sustained household income growth.

- **Robust Business Activity**

  India's business environment continues to demonstrate resilience, supported by deepening capital markets, expanding access to credit and steady inflows of foreign direct investment. Structural reforms in taxation, regulatory simplification and digitalization have enhanced the ease of doing business, enabling enterprises to scale operations more efficiently. Together, these trends underpin strong business activity, particularly in financial services, technology and professional sectors.

- **Improving Rural Demand**

  Rural demand has shown steady improvement, driven by favorable monsoon patterns, agricultural productivity gains and stabilizing food inflation. Enhanced rural incomes, supported by government schemes and infrastructure development in semi-urban and rural areas, are contributing to higher discretionary spending. This momentum reinforces the role of the rural economy as a critical driver of overall consumption growth.

- **Sectoral Drivers**

  Key sectors such as manufacturing, construction, financial services and real estate continue to provide a strong foundation for long-term growth. Construction and real estate not only contribute substantially to gross value added but also serve as major employment generators. Concurrently, initiatives like Make in India and Atmanirbhar Bharat are boosting domestic manufacturing competitiveness, while financial and professional services are benefiting from digital transformation and a growing skilled workforce.

- **Increasing Private Consumption and Government Spending**

  Private consumption has rebounded as household confidence improves, supported by steady income growth and resilient rural demand. This has been complemented by strong public investment, with the government maintaining a high level of capital expenditure to stimulate infrastructure development and crowd in private sector participation. The dual impact of rising consumption and sustained government spending provides a balanced impetus for medium-term economic growth.

- **Digitalization and Technology Adoption**

  Rapid expansion of digital infrastructure (UPI, Aadhaar, 5G, ONDC) is enabling financial inclusion, e-commerce penetration and productivity gains across services and MSMEs. This can be considered a major growth catalyst for the next decade.

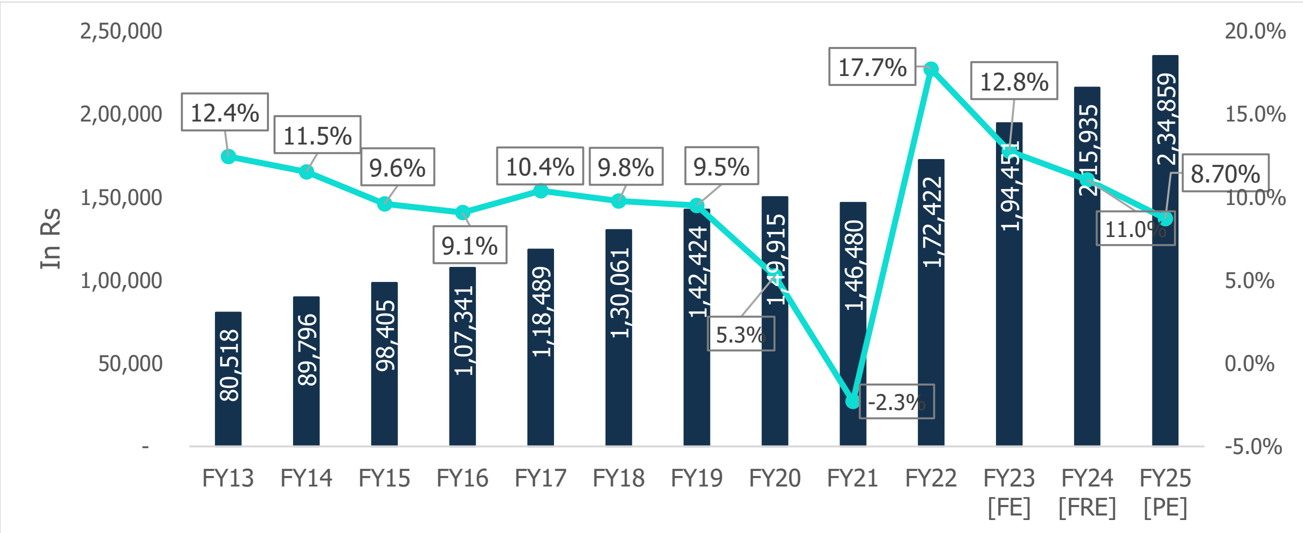
- **Infrastructure Expansion**

  Ongoing government initiatives in transport corridors, logistics parks, ports, renewable energy and urban infrastructure are expected to enhance efficiency and reduce transaction costs, crowding in private investment.

India's GDP Per Capita

India's per capita GDP has shown a consistent upward trend over the past decade, reflecting steady economic growth. Rising per capita income, driven by robust economic development, enhances consumer confidence and discretionary spending, reflecting a higher standard of living and overall prosperity. From FY13 to FY25, the per capita GDP is expected to increase from Rs 80,518 to Rs 234, 859, with an average growth rate of around 9.% annually. Key drivers of this growth include structural reforms, digitalization, rising domestic consumption and increased foreign investment. However, there was a slight dip in FY20, primarily due to the economic impact of the COVID-19 pandemic. Despite this, the country has rebounded with strong growth rates in subsequent years, supported by economic recovery and continued expansion in various sectors.

Chart 3: Per capita GDP (current prices)



Source: MOSPI; Note: FE – Final Estimates, FRE- First Revised Estimates, PE- Provisional Estimates

Manufacturing Sector's Contribution to GDP

Table 3: Manufacturing Sector's Contribution to GDP

Numbers in (Rs Million)	FY21	FY22	FY23	FY24	FY25
GDP	1,36,94,8690	1,50,21,8460	1,61,64,9130	1,76,50,5910	1,87,96,9550
Manufacturing	2,32,91,601	2,56,10,331	3,53,48,670	3,92,15,960	4,16,94,190
Contribution to GDP	**17%**	**17%**	**22%**	**22%**	**22%**

Source: MOSPI, Numbers in Cr.

India's manufacturing sector consistently made up around 17% of GDP, reflecting modest output growth amid initial backing from the early "Make in India". In 2022–23, a significant policy boost arrived via Production-Linked Incentive (PLI) schemes and "Atmanirbhar Bharat" drives, leading to a sharp rise in manufacturing output that elevated its GDP share to 22%. A level sustained through the FY24 and FY25 projections. This jump came from targeted growth in sectors such as electronics, autos, pharmaceuticals and textiles, accompanied by higher FDI and improved infrastructure, signalling a structural shift toward a more industrialized economy poised to reach long-term manufacturing goals.

Government Policies towards the Manufacturing and Exports Sector: -

- **Promoting Manufacturing:** The "Make in India" initiative, launched in 2014, aims to establish India as a global manufacturing hub by attracting domestic and foreign investment across various sectors. Central to this is the Production-Linked Incentive (PLI) Scheme, which incentivizes companies to boost local production, now expanded to sectors like textiles, auto components and advanced chemistry cell batteries, generating significant investment and employment.

- **Blueprint for Growth:** The National Manufacturing Mission (2025–26) focuses on simplifying business, developing a skilled workforce and revitalizing MSMEs. The National Industrial Corridor Programme supports integrated industrial zones linked by advanced transport networks to foster planned industrial growth.

- **Liberalizing FDI Policies:** India has eased FDI rules across manufacturing sectors, allowing automatic approvals to attract foreign investment and facilitate technology transfer. Over the past two decades, reforms have helped India receive over USD 1 trillion in FDI, enhancing competitiveness and infrastructure.

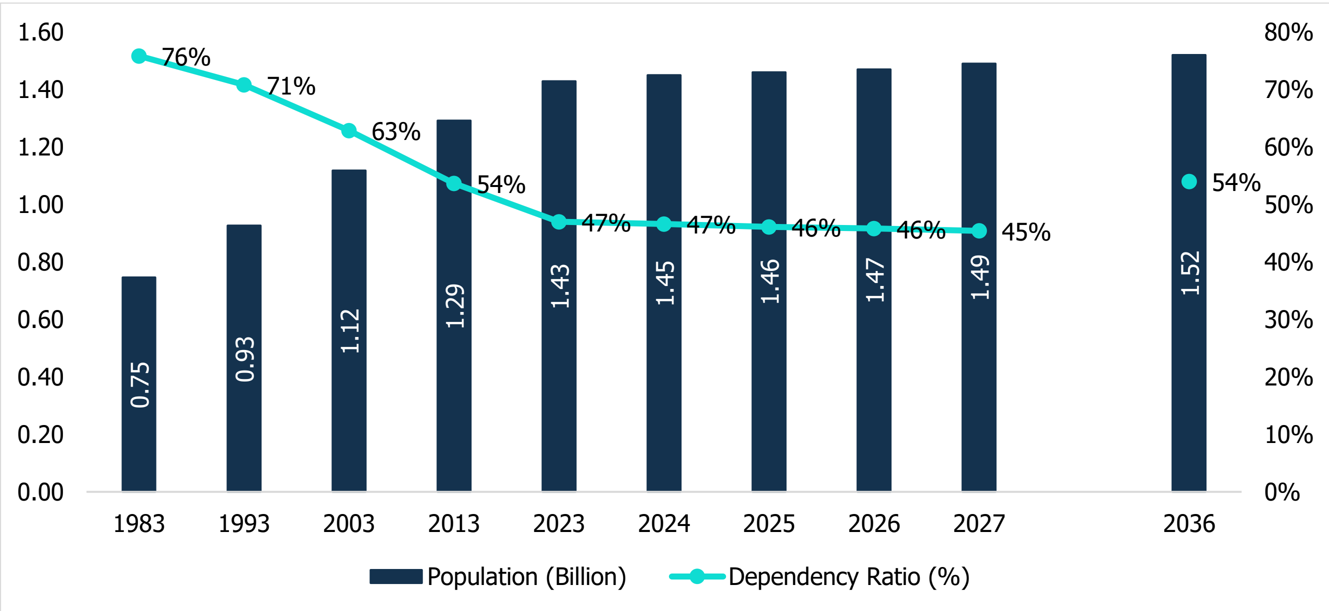
- **Self-Reliance Campaign (Atmanirbhar Bharat):** This vision promotes building indigenous manufacturing capacity, reducing import dependence and strengthening self-sufficiency while encouraging global collaboration.

Overview of Key Demographic Parameters

- **Population growth and Urbanization**

  The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization. According to the world bank, India's population in 2022 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

Chart 4: Trend in Population growth vis-à-vis dependency ratio in India (in Billion)

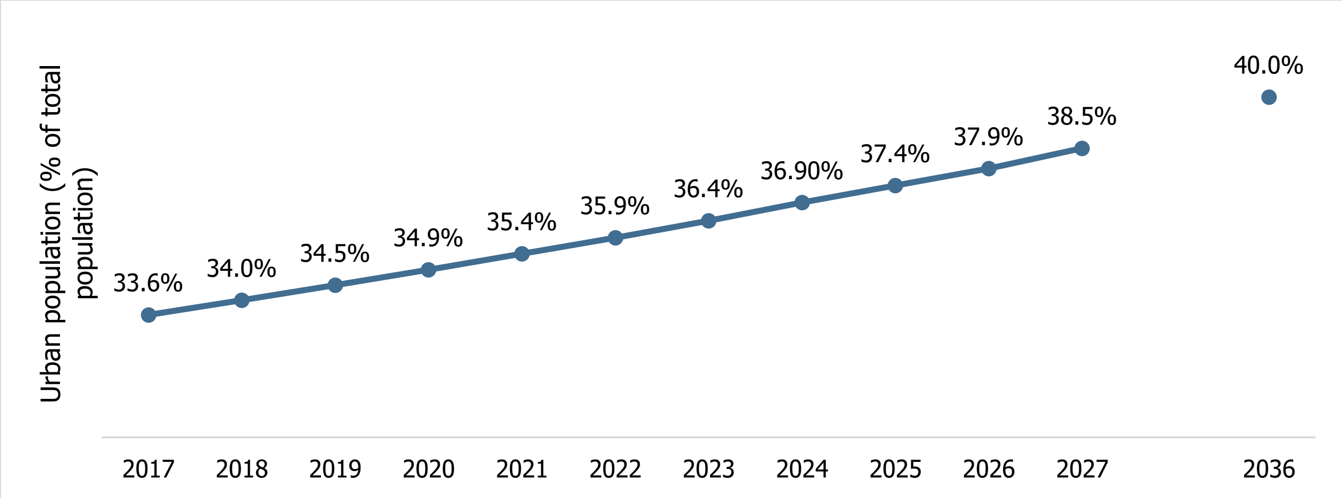


Source: World Bank Database, MOSPI

Despite a projected rise in the dependency ratio to 54% by 2036, India's young and growing workforce, especially in newly urbanised towns, will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation and railways. Rising employment, urbanisation and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

The consistent increase in urban population shown in the urbanization trend as a positive indicator of economic growth and improved living standards. Urbanization often enables greater access to education, healthcare, and employment, driving upward mobility and innovation. As more individuals transition to urban centres, there is potential for enhanced productivity and collaboration, which can accelerate development. The upward trend reflects that the country is embracing modernization and leveraging urban environments for progress.

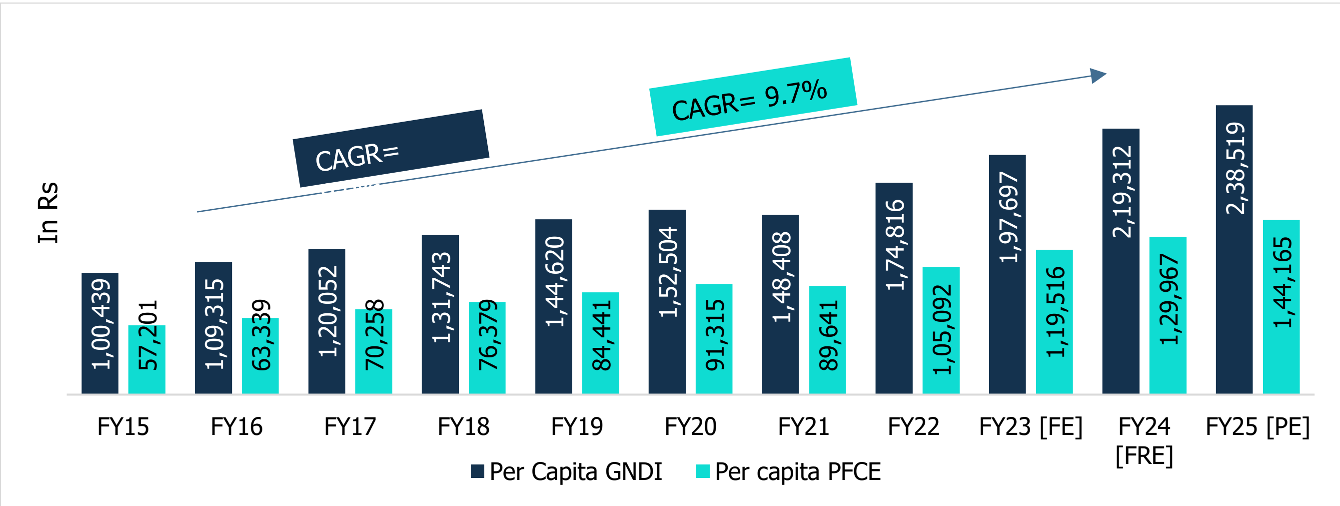
Chart 5: Urbanization Trend in India



Source: World Bank Database

The chart below demonstrates robust growth in both Per Capita Gross National Disposable Income (GNDI) and Per Capita Private Final Consumption Expenditure (PFCE) over the years. This positive trend indicates rising individual prosperity, greater disposable income, and an enhanced capacity for consumption among the population. With Compound Annual Growth Rates (CAGR) of 9.0% for GNDI and 9.7% for PFCE, the data reflects a healthy economic environment that supports increased consumer spending and wealth generation. Such sustained improvement is favourable for further economic development and is a strong signal for continued investment and confidence in the economy's growth trajectory.

Chart 6: Trend of Per Capita GNDI and Per Capita PFCE (Current Price)



Source: MOSPI; Note: FRE – First Revised Estimates, FE – Final Estimates, PE- Provisional Estimates

Analysing GST Rate cutdown and its Implications for Indian OEMs

The GST rate cut from 28% to 18% on several auto components such as engine parts, braking systems, transmission assemblies, and electrical equipment directly lowers input costs for OEMs while also reducing replacement costs in the aftermarket.

For component manufacturers, this change is expected to stimulate demand not only through higher vehicle sales but also through increased consumption of spares and service parts. In particular, mass-market segments like two-wheelers and small passenger cars, which account for significant volumes of parts such as tyres, batteries, filters, and lighting systems, are likely to see faster inventory turnover.

At the same time, the reduction offers scope for deeper localisation as OEMs renegotiate supply contracts to capture savings across the value chain. Component makers can adapt quickly by aligning pricing, scaling production for fast-moving parts, and supporting dealer networks that may face transitional ITC challenges on older stock. While the concessional 5% GST on EVs continues, the 18% slab on batteries, chargers, and electronic control units keeps cost pressures intact in the EV ecosystem.

Implications of Geopolitical Developments on India's Auto Components Sector

Ongoing geopolitical tensions including conflicts in the Middle East, evolving trade protectionism, and supply chain realignments are creating a mixed impact on India's auto components sector. In the near term, volatility in energy prices and disruptions in critical inputs (such as rare earths and electronic components) may exert pressure on production costs and margins, particularly for MSMEs. Additionally, rising tariff barriers in key export markets like the US could weigh on external demand and competitiveness. However, these challenges are counterbalanced by emerging opportunities, as global OEMs increasingly diversify sourcing away from China under the "China+1" strategy, positioning India as a preferred alternative manufacturing hub. Coupled with strong domestic demand and policy support for localisation and EV ecosystem development, the sector is likely to witness a structural shift navigating short-term headwinds while strengthening its role in global automotive supply chains over the medium to long term.

Concluding Remarks

Global economic growth faces headwinds from geopolitical tensions, volatile commodity prices, high interest rates, inflation, financial market volatility, climate change and rising public debt. However, India's economy remains relatively strong, with an IMF forecast of 6.5% GDP growth in CY24 (FY25 according to the fiscal year), compared to the global projection of 3.3%. Key drivers include strong domestic demand, government capital expenditure and moderating inflation.

Public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs 11.21 lakh crores for FY26. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels and progress in south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

The impact of U.S. tariffs on India's export trade is anticipated to be minimal. The key sectors which will have a potential impact are engineering goods, electronics, gems and jewellery, pharmaceuticals, textiles and automobiles, among others. The affected sectors represent a small fraction of India's total exports, with key industries such as steel industry affected by the 25% tariffs although the impact is expected to be minimal given the volume of goods exported is less and textiles are potentially benefiting from reduced competition.

Automotive Market

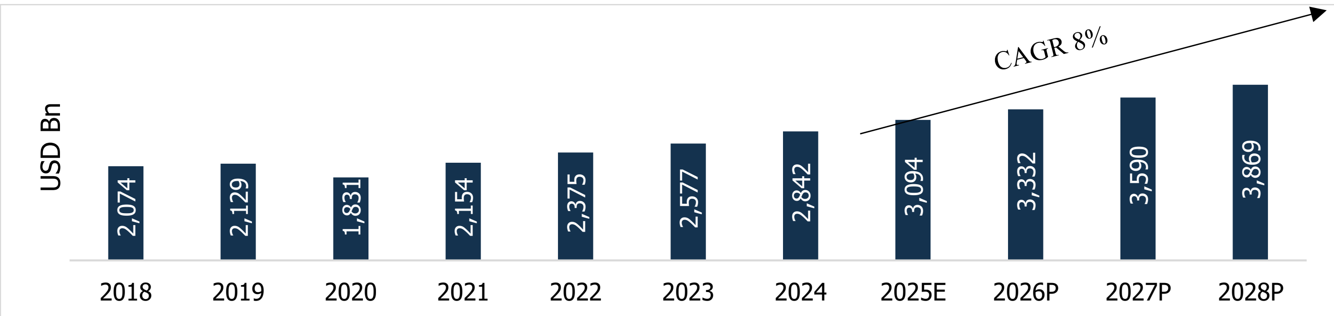
Global Automotive Market

Industry Overview & Market Size

The global automobile market constitutes a dynamic and multifaceted industry that encompasses the design, manufacturing, marketing and sale of motor vehicles. It plays a pivotal role in the global economy by influencing employment, trade and technological advancement. At present, the industry is undergoing a fundamental transformation, fuelled by, the rise of electric vehicles (EVs), advancements in autonomous driving technologies and shifts in consumer preferences towards sustainable and connected mobility solutions. The motor vehicles market is broadly segmented into three key segments which are two-wheeler, passenger vehicles and commercial vehicles. Each category serves distinct transportation needs across various regions and consumer groups. Two-wheeler is widely used for individual mobility, especially in densely populated and developing regions due to their affordability and fuel efficiency. Passenger vehicles remain the preferred choice for personal and group transportation, offering comfort, safety and technological integration. Meanwhile, commercial vehicles which include trucks, vans and buses are essential for freight movement, public transportation and industrial logistics. Collectively, these segments form the backbone of the global automotive landscape, catering to diverse mobility demands in both urban and rural settings.

The global automobile market continues to evolve rapidly, shaped by technological innovation, economic shifts and changing consumer demands. While traditional internal combustion engine vehicles continue to hold a significant share, there is a noticeable shift towards electric and hybrid models, driven by environmental concerns and supportive policies in various regions. Developed markets are experiencing a gradual transition, whereas emerging economies are witnessing rapid growth in vehicle ownership due to rising urbanization. Simultaneously, the industry is navigating challenges such as supply chain disruptions and evolving regulatory regimes. In response, manufacturers are intensifying their focus on innovation and diversification to remain competitive and cater to the dynamic expectations of a global consumer base.

Chart 7: Global Automobile Market Size



Source: Industry Sources, CareEdge Research; E: Estimated; P: Projected; Years refer to Calendar Year (CY)

Notably, the Asia-Pacific region remains the global leader in automotive production and sales, with countries such as China investing heavily in next-generation vehicle technologies and infrastructure. Additionally, India is emerging as a critical player in the global automotive landscape, driven by its growing manufacturing base and rising domestic demand. With strong government support through initiatives like PLI schemes and a skilled engineering workforce, India is positioning itself as a hub for both traditional and next-gen mobility solutions, contributing significantly to global supply chains and innovation.

Table 4: Key Trends and Growth Drivers of Global Automotive Market

No.	Theme	Key Highlights (2021–2024)
1	**Post-Pandemic Recovery and Industrial Restart**	Global vehicle production rose from ~80 million units in 2021 to 92.5 million in 2024 (+16%). Recovery was driven by resumed factory operations, improved semiconductor supply, pent-up demand and stabilised raw material logistics.
2	**Emergence of India and China as Global Production Hubs**	China and India saw strong growth due to domestic demand, export expansion, EV policies (China) and "Make in India" with PLI (India). Supply chain diversification and cost efficiency attracted global manufacturers.
3	**Structural Transition in Developed Markets**	Regions like Europe, the US, Japan and South Korea grew moderately (+13%) amid EV transition, emission regulations and labour shortages. Retooling of ICE plants and investment in EV technologies caused short-term disruptions.
4	**Resurgence in Two-Wheeler Markets Globally**	Global two-wheeler output hit a record 61.8 million units in 2024. India led with 14% growth, followed by Brazil, Mexico and Turkey. Urban demand, rising fuel costs, rural penetration and electric scooters drove the trend.
5	**Rising Commercial Vehicle (CV) Demand**	CV production rose from 2.3 million (2021) to 2.5 million (2023), then stabilised in 2024. Growth was driven by infrastructure, e-commerce and fleet replacement, especially in the US and India.
6	**Export Push from Asia-Oceania**	Asia-Oceania led global car exports with 47.26 million units. India and China expanded shipments, benefiting from trade conditions and surplus capacity. Latin America and Africa became key emerging destinations.
7	**Electrification Disrupting Traditional Production in West**	In Europe and the US, EV transitions led to output volatility. Europe peaked in 2023 but dipped in 2024 amid inflation and energy cost pressure. US car production peaked at 5.14 million units in 2023, declining in 2024 due to retooling delays and cost hikes.

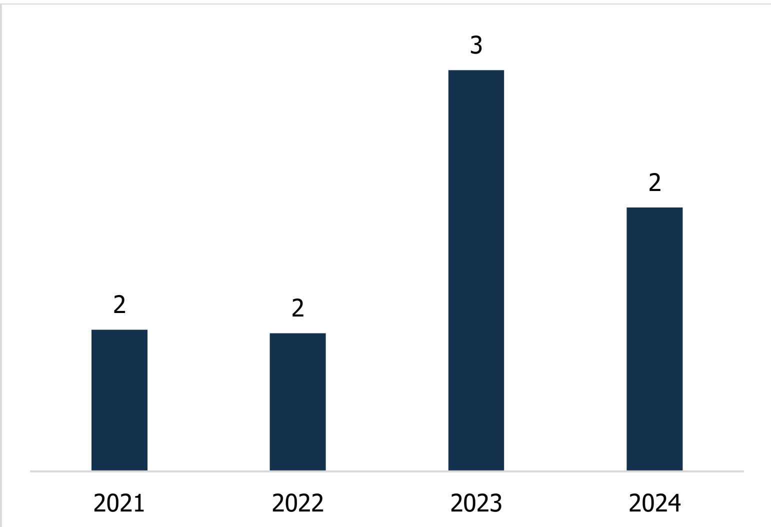
Vehicle Penetration Trends in the USA and Europe and Their Underlying Drivers

Automotive Sector in Europe

Europe's passenger car production remained relatively stable, gradually increasing from 14 million units in 2021 and 2022 to 15 million units in 2023 and 2024. This slow but steady growth reflects the region's recovery from pandemic-induced supply chain disruptions, especially semiconductor shortages that had severely impacted automotive output. The improvement in 2023 and 2024 can also be attributed to rising consumer demand, the ramp-up of electric vehicle (EV) manufacturing and policy incentives promoting green mobility. However, the overall growth rate remained modest, indicating persistent structural challenges such as high energy costs, evolving emission regulations (e.g., Euro 6/7) and competition from Asian manufacturers. Still, Europe's consistent output underscores its strong manufacturing base and transition toward more sustainable automotive technologies.

Chart 8: Vehicle Production Market in Europe (In Mn)

Total Passenger Car Production in Europe (In Mn) Total Commercial Vehicle Production in Europe (In Mn)



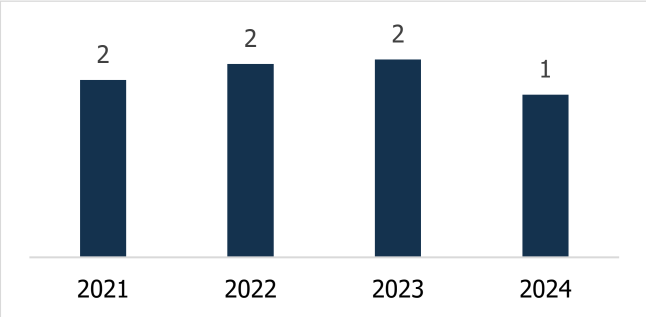
Source: Industry Source, CareEdge Research; Years refer to Calendar Year (CY)

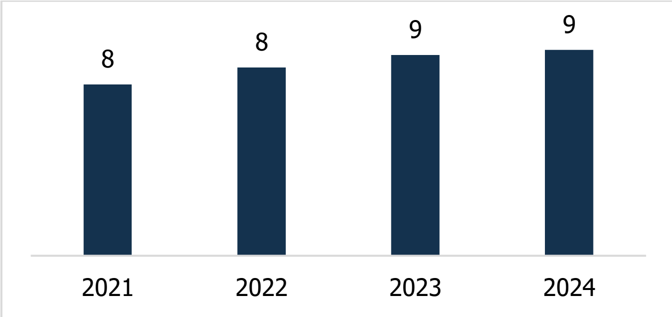
Automotive Sector in USA

The U.S. automotive sector has demonstrated resilient growth and adaptability in recent years, driven by significant investments in electric vehicle (EV) technology and advanced manufacturing. Despite earlier disruptions caused by the pandemic and supply chain challenges, production levels are nearing pre-pandemic benchmarks, highlighting a robust recovery. The shift toward electrification is supported by substantial capital flowing into battery production and EV assembly plants, creating hundreds of thousands of jobs and strengthening the domestic industrial base. Additionally, consumer acceptance of EVs continues to rise, aided by improved infrastructure and more affordable models. This transformative phase underscores the industry's commitment to innovation, sustainability, and economic vitality, positioning it well for continued growth and global leadership.

Chart 9: Vehicle Production Market In USA

Total Passenger Car Production in USA (Mn) Total Commercial Vehicle Production in USA(Mn)





Sources: Industry Sources, CareEdge Research; Years refer to Calendar Year (CY)

Global Two-wheeler Market

The global two-wheeler market, which includes motorcycles, scooters and mopeds, is steadily growing due to rising urbanization, affordable mobility needs and increasing demand for personal transportation especially in developing countries. The Asia-Pacific region dominates this market, with countries like India, China and Indonesia leading both in production and consumption.

In 2024, the global motorcycle industry achieved a historic high with 61.8 million units sold. This marked a 2.7% increase over the previous year and represented a significant rebound nearly 10 million additional units compared to the sharp downturn experienced in 2020 due to the pandemic and related disruptions. The resurgence reflects not only a recovery in consumer demand but also a structural shift toward affordable and accessible mobility solutions, especially in densely populated and developing regions where two-wheelers remain a primary mode of transport.

India, now the world's largest two-wheeler market, posted double-digit growth, supported by rising urban demand and improving economic conditions. Likewise, markets across Latin America and Eastern Europe saw record-breaking performances, with countries like Mexico, Brazil and Turkey leading the charge. Western Europe, including the UK, also experienced its strongest sales figures of the century. Together, these developments point to a dynamic realignment in the motorcycle industry, with growth increasingly concentrated in South Asia, Europe and the Americas, as these regions embrace two-wheelers for their cost-efficiency, versatility and growing range of electric options.

Global Two-Wheeler Sales in Europe, America and other Countries

In East Europe sales boomed 34%, pulled up by the Turkish outstanding performance (+34.0%). Western Europe, including the UK, saw its strongest sales in decades with a 7.2% increase. In North America, while the U.S. and Canada remained stable, Mexico's exceptional 20.1% surge pushed the region to an all-time high.

Latin America also hit a new record, with Brazil growing 17.4% and Central American countries like Nicaragua, Costa Rica, Honduras and Panama showing exceptional gains between 28% and 44%, establishing the region as a new hotspot for two-wheeler demand. The market’s growth was largely propelled by strong momentum in India the world’s largest two-wheeler market which posted a robust 14.1% increase, while several other regions also witnessed rapid expansion, reinforcing the global upward trend. These trends highlight a geographic shift in the industry's growth focus from a declining China, down 13.7% and a sluggish ASEAN region, where half the countries posted declines to fast-expanding markets across Europe, the Americas and South Asia.

Indian Automotive Market

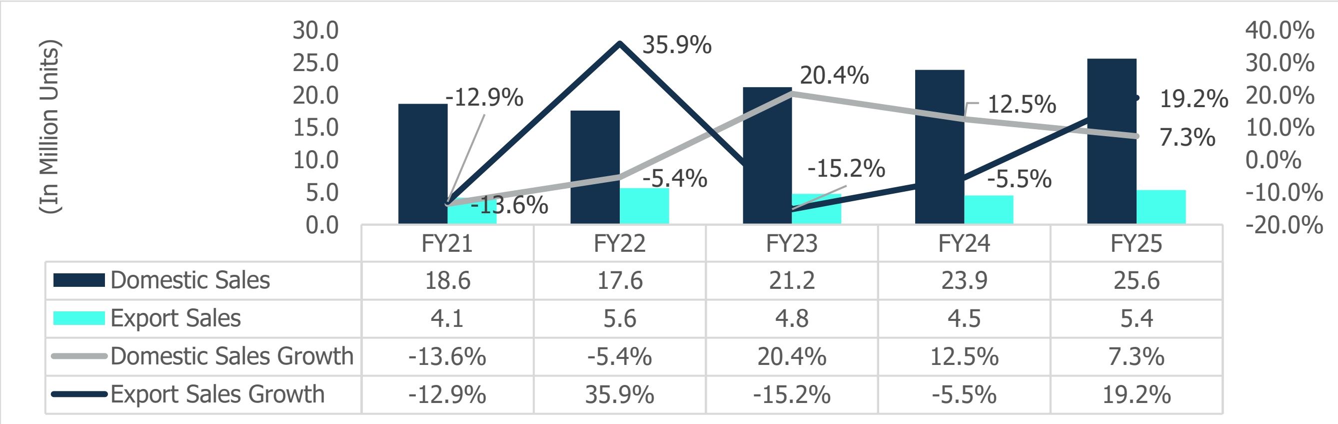
Industry Overview

India’s automotive market stands as one of the largest and most dynamic sectors, playing a critical role in the country's economic development. With a diverse range of segments from two-wheelers and passenger vehicles to commercial and electric vehicles, the sector serves as a key employment generator and a significant contributor to GDP. Rapid urbanization, rising income levels and a growing middle class have fuelled demand over the past decade, while government initiatives like the Production-Linked Incentive (PLI) scheme and scrappage policy continue to shape its evolution.

Table 5: Domestic and exports sales segment wise.

Vehicle Segment	Domestic Sales YoY Growth (FY25)	Export Growth YoY (FY25)
Two-Wheelers	9%	21%
Passenger Vehicles	2%	15%
Three-Wheelers	7%	2%
Commercial Vehicles	–1%	23%

Chart 10: Domestic Sales and Export of Automobiles in India



Source: CMIE, Society of Indian Automobile Manufacturers (SIAM)

India is the largest manufacturer of two-wheelers, three-wheelers and tractors. Domestic automobile sales increased by 7.3% year-on-year (y-o-y) in FY25. The growth in sales volume across segments was supported by healthy demand in the urban areas, increasing replacement demand, growing demand for utility vehicles in the passenger vehicle segment and vehicle scrappage policy. However, exports increased by 19.2% in FY25 due to ongoing driven by a robust demand for passenger vehicles, two-wheelers and commercial vehicles in overseas markets, however it marks an improvement compared to 5.5% decline in FY24.

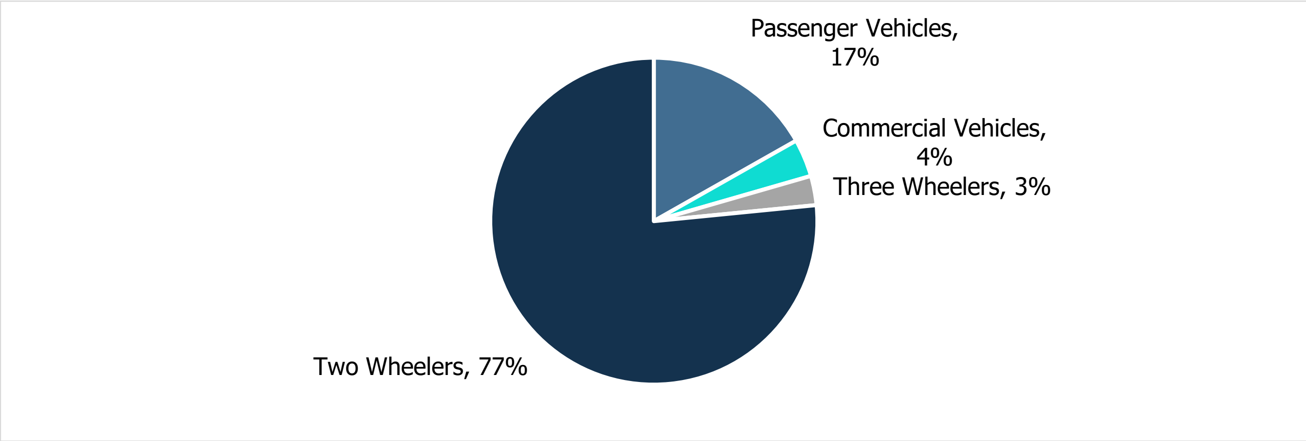
Overall, the domestic automobile industry sales are expected to grow with a CAGR of around 7%-9% over the period of FY26-28. Exports are expected to remain robust in FY26 building on the healthy performance of recent years due to stable macroeconomic conditions, proactive government policies and Infrastructure spending by the Government.

India is likely to be the third largest by volume by FY26. It is also among the top 5 manufacturers of passenger and commercial vehicles. Across the industry segments, India is ranked amongst the world's leading markets. The key drivers for the growth of the automobile sector in India are increasing household incomes, favourable demography with a high percentage of the youth population, growing R&D centre and government initiatives. Apart from growth opportunities, India's encouraging Foreign Direct Investment (FDI) policy with 100% FDI under automatic route, comparatively low cost of manufacturing and suitable manpower pool has drawn several foreign OEMs of the sector to make investments in India and establish a manufacturing presence.

Indian Automobile Market Segments

The Indian automobile market can be categorized into four segments, two-wheelers, three-wheelers, passenger vehicles and commercial vehicles. Two-wheelers and passenger vehicles dominate the domestic Indian auto market. Two-wheelers and passenger cars contributed about 77% and 17% respectively of total automobile sales in FY25. The share of various segments in automobile sales in India in FY25 is depicted below:

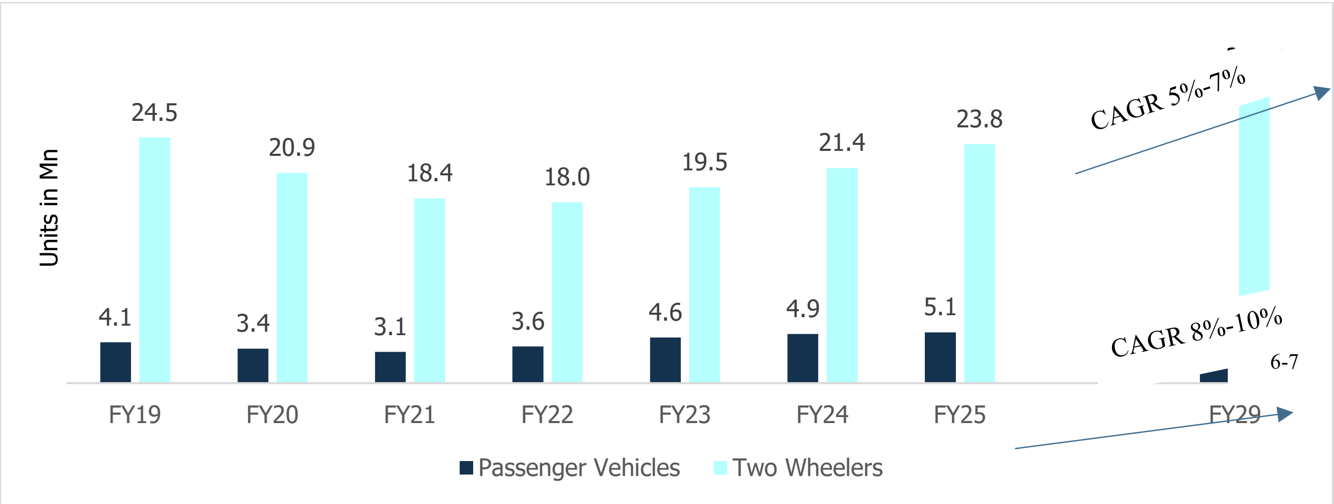
Chart 11: Share of different categories in domestic automobile sales in FY25



Source: SIAM

Indian Market for Two-Wheeler, Three-Wheeler and Passenger Vehicle

Chart 12: Sales Trajectories for Passenger Vehicles and Two-Wheelers

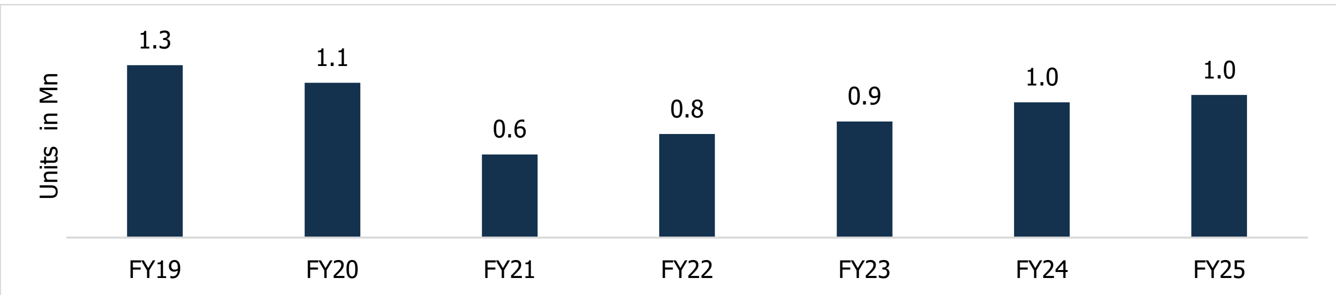


Source: CIME, CareEdge Research

By FY25, passenger vehicle sales are solidly pegged at 5 million units, with two-wheeler volumes at 23.8 million units. Applying a 5–7% CAGR for passenger vehicles, yields projected till FY29 sales would be of a range 6–7 million, supported by rising household incomes, expanding portfolio of SUVs and EVs, government PLI incentives and improved financing and road infrastructure.

Meanwhile, with a stronger 8–10% CAGR, two-wheelers are expected to grow to 29–31 million by FY29, driven by urban congestion prompting demand for nimble, affordable transport, rising middle-class purchasing power, favourable borrowings post RBI rate cuts, expansion of EV and charge-station networks and policy support. CAGR helps smooth annual fluctuations and encapsulate long-term structural growth trends. Taken together, these figures reflect a robust auto sector trajectory, anchored by both economic fundamentals and sector-specific policy and demographic tailwinds.

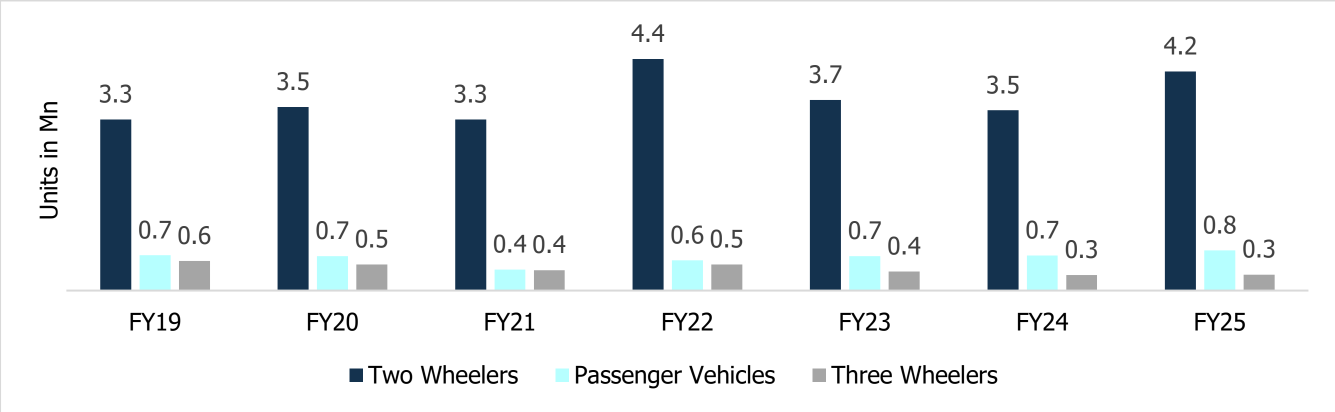
Chart 13: Sales for Trajectories Three-Wheelers



Source: CMIE, CareEdge Research

India's three-wheeler domestic sales have shown a steady recovery from FY21, with sales increasing from 0.6 million units to 1.0 million units in FY25. This growth can be attributed to factors such as the resurgence of economic activities post-pandemic, rising demand for affordable urban mobility solutions and the government's support for electric vehicle adoption. Additionally, the increasing popularity of electric three-wheelers has contributed to this upward trend, offering cost-effective and eco-friendly transportation options. Further, the three-wheeler is projected to increase with a CAGR of 7-9% in FY26.

Chart 14: Domestic Two-Wheeler, Three-Wheelers and Passenger Vehicle Production Volume



Source: CMIE, CareEdge Research

India's two-wheeler production has shown a steady recovery from FY21 to FY25, with volumes increasing from 3.3 million units in FY21 to 4.2 million units in FY25. This growth is attributed to factors such as improved consumer confidence, rising rural demand and the introduction of electric two-wheelers, which contributed to over 6% of total two-wheeler wholesales in FY25. The passenger vehicle segment also experienced growth, reaching 0.8 million units in FY25, driven by strong demand for utility vehicles and increased exports. Conversely, three-wheeler production declined to 0.3 million units in FY25, influenced by factors such as the early exhaustion of subsidies under the PM E-Drive scheme and a shift towards electric variants.

Key trends and Growth Drivers:

- **Supportive Government Policies and Incentives**: The Indian government has launched comprehensive measures to bolster automotive manufacturing and innovation. The ‘Make in India’ initiative and the Atmanirbhar Bharat Abhiyaan emphasize self-reliance by promoting indigenous production. Production Linked Incentive (PLI) schemes offer financial incentives to manufacturers investing in advanced technologies, fostering a competitive ecosystem. These policies reduce barriers to entry, simplify regulations and provide a favourable investment climate, encouraging both domestic and foreign players to expand their presence.

- **Expanding Research & Development (R&D) and Engineering Capabilities:** India is fast becoming a global R&D hub, accounting for 40% of the worldwide USD 31 billion engineering and R&D expenditure in the automotive sector. This focus on innovation helps domestic companies and global manufacturers develop new technologies, such as electric drivetrains, connected vehicles and autonomous systems. The expanding R&D ecosystem not only enhances product quality but also strengthens India’s export potential by offering cutting-edge solutions.

- **Technological Advancements and New Model Launches:** Continuous innovation in vehicle design, mileage, safety and features across segments has made two-wheelers and PVs more appealing. From fuel-efficient motorcycles to feature-rich compact cars, the variety and quality of offerings have expanded, drawing more consumers to the market.

- **Growing Youth Population and Lifestyle Aspirations:** India has the largest youth population in the world, with about 65% of its people under the age of 35 that views two-wheelers and cars as not just necessities but also lifestyle upgrades. This aspirational demand is further fuelled by marketing, brand variety and a growing trend of individual ownership, especially in the 18 to 35 age group.

- **Expanding Road and Transport Infrastructure:** Government investment in road development, highways and rural connectivity is making personal transport more viable across the country. The increase in expenditure coupled with timely maintenance, has significantly expanded the National Highways (NH) network in the country, growing from about 91,287 km in March 2014 to about 1,46,126 km, as on July 25, 2024. Better infrastructure supports both two-wheeler penetration in smaller towns and PV usage for long-distance and intercity travel, encouraging ownership across income groups.

- **Rising Income Levels and Vehicle Penetration**: India’s per capita Net National Income (NNI) grew by over 35% between 2014-15 and 2023-24, reaching INR 106,744, which has increased consumer purchasing power. As incomes rise, more people can afford personal vehicles, driving vehicle ownership and sales. The expected vehicle penetration of 72 vehicles per 1000 people by 2025 indicates a growing market with significant room for expansion, supporting sustained industry growth.

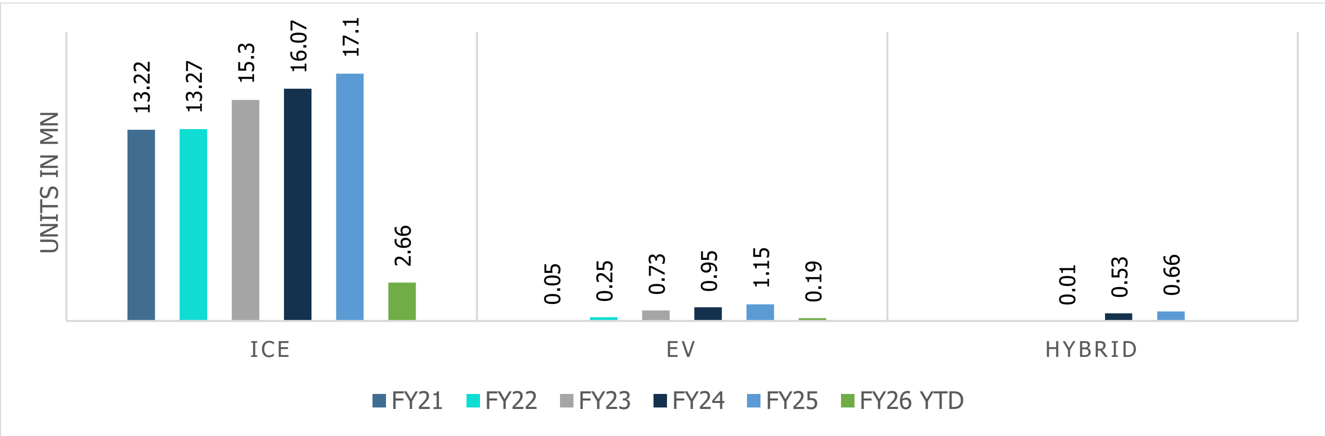
Indian Internal Combustion Engine Market Focused on Two-Wheeler Segment

India's internal combustion engine (ICE) two-wheeler market has historically been the backbone of the country's mobility landscape, particularly in rural and semi-urban regions. These vehicles are known for their affordability, widespread service network and familiarity among consumers, making them the preferred choice for many. However, the market is currently at an inflection point, with growing environmental concerns, evolving consumer preferences and supportive government policies accelerating a shift toward cleaner mobility solutions.

Despite the rising interest in electric vehicles (EVs) and the implementation of stricter emission norms like BS6, the penetration of EVs in the two-wheeler segment remains limited, especially in rural areas. Factors such as high upfront costs, limited charging infrastructure and inadequate road conditions contribute to this slow adoption. For instance, rural India accounts for a significant portion of two-wheeler sales, but the lack of reliable electricity supply and maintenance services hinders the transition to EVs. Additionally, the scarcity of charging stations and inconsistent charging standards further discourage potential EV buyers.

While the government has introduced schemes like FAME-II and EMPS 2024 to promote EV adoption, the reduction in subsidies and the need for infrastructure development pose challenges. Consequently, ICE two-wheelers continue to be the preferred choice due to their widespread availability, lower upfront costs and strong rural demand. In conclusion, while the adoption of electric two-wheelers is on the rise, the transition is gradual and ICE components will likely remain in demand for the foreseeable future. The pace of this shift will depend on addressing infrastructure challenges, reducing costs and enhancing consumer awareness and confidence in EV technology. In urban and semi-urban India, enhanced infrastructure, subsidies and growing environmental consciousness have driven an uptick in EV two-wheeler adoption. In contrast, rural regions lag due to inadequate charging facilities, higher upfront costs and limited awareness, resulting in sustained dominance of ICE two-wheelers.

Chart 15: Number of Vehicle Registered Fuel Wise for Two-Wheeler



Source: Vahan Dashboard, Note: The data indicates number of vehicles sold

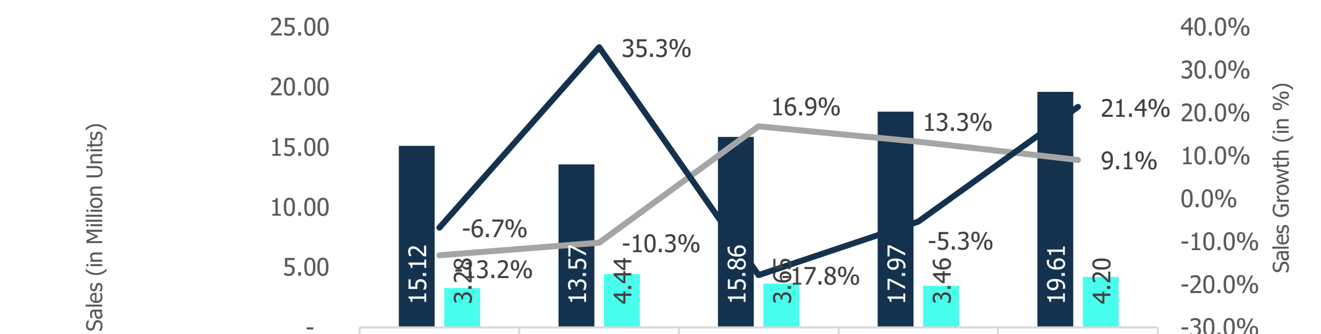
YTD as of June 2025

Indian Two-Wheeler Industry

The Indian economy had showed various moderations across domains of economies, geopolitics and environment in the last few years. The two-wheeler (2Ws) segment takes the largest chunk of the pie in the Indian automobile industry, with around 77% share in the total domestic sales volume. The two-wheeler industry has three sub-segments namely, Motorcycles, Scooters and Mopeds.

The two-wheeler industry experienced a robust domestic sales growth of 9.1% year-on-year in FY25 compared to FY24. The two-wheeler segment is expected to grow by 6-9% in FY26, driven primarily by strong demand for scooters, due to increasing urbanization and a growing preference for premium motorcycles. Demand from both rural and urban markets, along with increased interest in electric two-wheelers, is expected to drive this growth. The distribution of harvest payments to farmers (Kharif season) and the festive season will also contribute to higher purchasing power.

Chart 16: Domestic Sales & Exports Trend of Two-Wheeler Industry



	FY21	FY22	FY23	FY24	FY25
Domestic Sales	15.12	13.57	15.86	17.97	19.61
Export Sales	3.28	4.44	3.65	3.46	4.20
Domestic Sales Growth	-13.2%	-10.3%	16.9%	13.3%	9.1%
Export Sales Growth	-6.7%	35.3%	-17.8%	-5.3%	21.4%

Source: SIAM (Society of Automobile Manufacturers), CMIE

India's two-wheeler industry in FY25 experienced a broad-based resurgence, led by strong domestic demand especially from rural and semi-urban regions and a vibrant export market. This recovery was fuelled by new model launches, including a surge in scooter popularity and growing consumer confidence. The export sector also picked up pace, driven by expanding footprints in regions like Africa and Latin America. Supportive macro conditions such as rate cuts, stable economic sentiment and favourable agricultural trends further reinforced the market's upbeat trajectory. The two-wheeler segment is expected to grow by 6-9% in FY26, driven primarily by strong demand for scooters, due to increasing urbanization and a growing preference for premium motorcycles.

Market Segment for Two-Wheeler Industry

The two-wheeler segment takes the largest chunk of the pie in the Indian automobile industry, with around 75% share in the total domestic sales volume. The two-wheeler (2W) industry has three segments namely, Motorcycles, Scooters and Mopeds.

Table 6: Category Wise Production of Two-Wheeler

Category-wise Production of Two-Wheelers				
Year	**Total Production**	**Motorcycles**	**Scooters**	**Mopeds**
FY20	21,032,927	14,356,051	6,027,198	649,678
FY21	18,349,941	13,154,501	4,559,222	636,218
FY22	17,821,111	12,890,149	4,457,790	473,172
FY23	19,459,009	13,421,208	5,601,501	436,300
FY24	21,468,527	14,589,393	6,391,272	487,862
FY25	23,883,857	15,922,027	7,437,681	524,149

Source: CMIE, CareEdge Research

Two-wheeler production in India has shown a steady upward trend in recent years, supported by a strong recovery in domestic demand, a shift in consumer preference toward motorcycles for their fuel efficiency and increasing urban adoption of scooters due to their ease of use. The motorcycle segment continues to dominate, driven by high demand in rural and semi-urban areas where affordability and mileage are key considerations. Meanwhile, scooter production has risen steadily, reflecting greater acceptance among urban commuters, women riders and growing last-mile delivery services. Mopeds, while forming a smaller segment, have maintained consistent production levels due to their niche utility in certain markets. Overall, improved economic sentiment, government incentives for electric mobility and an expanding middle class have all contributed to the resurgence of two-wheeler manufacturing in India.

- **Motorcycle Segment**

  The motorcycle segment has historically dominated the Indian two-wheeler market, accounting for more than two-thirds of the total volumes. Within the motorcycle product segment, the lower displacement entry sub-segment of motorcycles (<110-cc) dominates, accounting for nearly 70% of the total production volumes. The 110-125 cc and 125-150 cc sub-segments also contribute for a sizeable proportion to the total motorcycle volumes. The penetration of higher displacement premium motorcycles is currently gaining pace with improved features and availability of financing options.

- **Scooters Segment**

  Over the last decade, 'scooterisation' has gripped the two-wheeler industry, with scooters overtaking motorcycles in terms of market share. Although motorcycles have traditionally overshadowed the scooter segment in terms of overall volumes, the latter has consistently outpaced the industry growth over the past several fiscals, resulting in a steady improvement in share in the overall two-wheeler mix. Earlier, the use of scooters was associated with men and was generally used for travelling to work, commuting for the family and running daily errands. Whereas motorcycles were preferred for better fuel efficiency and performance, enhanced ride quality and ruggedness for use in poor road conditions and for longer journeys. However, the demand pattern has changed in the last few years with multiple new offerings and changes in attributes in the scooter segment. The improved fuel efficiency of scooters, following technical advancements, besides OEM initiatives toward lightweighting has increased the attractiveness of this product segment in a price-sensitive market like India.

- **Mopeds Segment**

The moped segment remains a marginal segment in the overall two-wheeler industry, accounting for less than 3% of the total production volumes. Generally, the moped is preferred by those customer segments, where affordability, ease of handling and load-carrying capacity play a greater role in the purchasing decision of the vehicle as compared to other factors. Also, it is generally sold more in the rural areas. Further, the moped segment saw healthy growth following the launch of TVSXL100 extending the segment from merely having a 70-cc product, thereby attracting customers from the lower displacement categories of motorcycles and scooters alongside offering a competitively priced two-wheeler option. With customer preference moving towards scooters and the entry sub-segment of motorcycles, the share of mopeds in the overall two-wheeler pie is expected to shrink further.

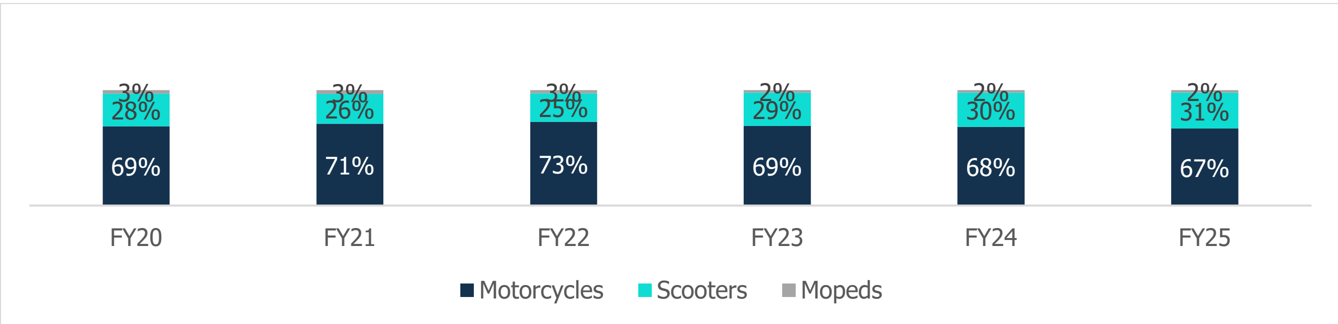
Table 7: Category Wise Sales of Two-Wheeler

Category-wise Sales of Two-Wheelers				
Year	Total Sales	Motorcycles	Scooters	Mopeds
FY20	20,935,837	14,349,210	5,935,956	650,671
FY21	18,403,569	13,063,684	4,714,325	625,560
FY22	18,013,139	13,066,628	4,463,115	483,396
FY23	19,514,893	13,461,483	5,607,637	445,773
FY24	21,432,781	14,596,578	6,351,672	484,531
FY25	23,805,735	15,873,191	7,422,307	510,237

Source: CMIE, CareEdge Research

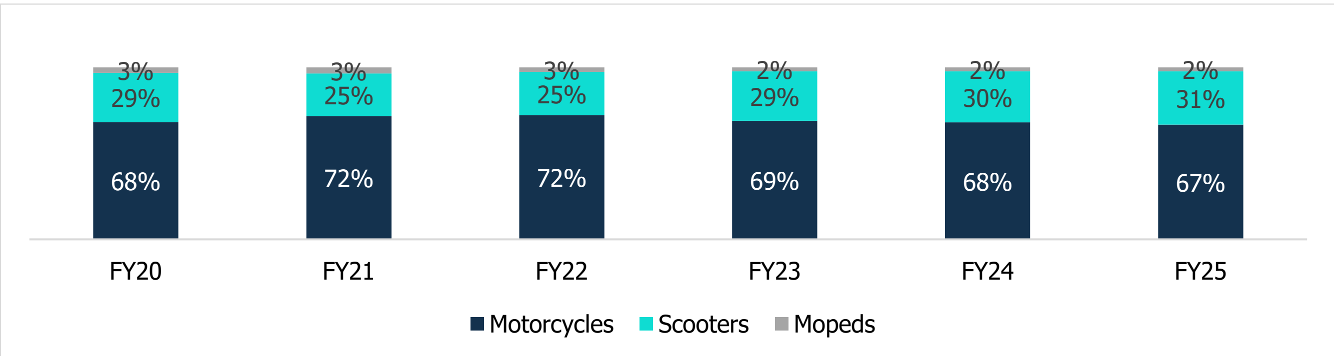
India's two-wheeler market has shown a strong recovery post-pandemic, with total sales rising steadily from FY21 onwards. Motorcycles remain the leading segment, growing consistently and accounting for the bulk of volumes, while scooters have emerged as a fast-growing category especially in urban and semi-urban areas because of their convenience and rising popularity. Mopeds, in contrast, hold a modest share and have seen relatively stable and lower growth. This overall upturn reflects improving rural demand, renewed consumer confidence, stronger financing options and a wave of new model launches that appeal to evolving preferences in both traditional ICE and emerging electric two-wheeler segments.

Chart 17: Segment-Wise Sales in two-wheeler industry



Source: CMIE, CareEdge Research

Chart 18: Segment-Wise Production in two-wheeler industry



Source: CMIE, CareEdge Research

Key Growth Drivers

Drivers for Rising Adoption in Motorcycles

1. Market Growth Anchored by Motorcycle Dominance

India's overall two-wheeler market witnessed strong growth from FY20 to FY25, with motorcycle sales rising from about 14.35 million in FY20 to 15.87 million in FY25, while total industry volumes expanded from 20.94 million to 23.81 million over the same period. This trend shows the dominance of traditional motorcycles among Indian consumers. Against this backdrop, electric two-wheelers (e2Ws) crossed 1.14 million units in FY25 a strong headline number but accounted for just over 6% penetration of total two-wheeler sales. Notably, electric motorcycles remain a niche, holding less than 1% of the market, as movement in electric mobility continues to be largely driven by scooters.

2. Emerging Tailwinds: Urban Youth, Financing & Model Appeal

Several trends are supporting the gradual rise of electric motorbikes in India. Growing urbanization, rising disposable incomes and changing preferences among younger consumers are shifting demand. Attractive financing schemes, such as flexible EMIs and incentives under programs like FAME-II and EMPS, are lowering barriers to entry. Simultaneously, new models are being designed to bridge the performance gap with traditional 125–150 cc motorcycles Matter Motor's "Aera" being a prime example targeting customers who value the feel and functionality of ICE bikes while embracing EV benefits.

3. Strategic Growth Despite Gradual Transition

While electric motorcycles are still in early stages, projections point toward significant long-term expansion. Industry forecasts suggest that by FY30, e-scooters could capture major part of their segment. Though this reflects a gradual shift, the combination of increasing urban demand, supportive incentives, expanding product choices and improved EV awareness offers a fertile ground for adoption growth. Manufacturers that balance ICE strength with compelling electric offerings can position themselves strategically for this evolving landscape.

Drivers for Rising Adoption in Scooters

The sharp rise in scooter sales, from 4,463,115 in FY22 to 7,422,307 in FY25, is primarily driven by urban mobility needs and changing consumer demographics. Scooters are particularly attractive for women, first-time buyers and younger consumers due to their ease of use, automatic transmission and comfortable ride quality. Rapid urbanization, coupled with increasing congestion in metropolitan and Tier-II cities, has also boosted scooter demand as they provide a convenient and fuel-efficient commuting option.

Drivers for Rising Adoption in Mopeds

Moped sales, though relatively smaller in volume compared to motorcycles and scooters, have remained stable, with a modest increase from 483,396 units in FY22 to 510,237 units in FY25. Their continued relevance is supported by affordability and low operating costs, making them a preferred choice in semi-urban and rural regions. Mopeds cater to cost-conscious consumers, daily wage earners and small traders who rely on them for both personal mobility and light cargo transport.

The resilience of the segment is also underpinned by fuel efficiency and utilitarian value. Mopeds offer easy maintenance, simple design and versatility, appealing to households seeking a secondary two-wheeler. Additionally, increasing last-mile delivery services in Tier-II and Tier-III towns are giving mopeds renewed utility, as businesses leverage their low running costs for logistics. Although mopeds are a niche category, their affordability and practicality ensure steady demand in India's price-sensitive markets.

Affordability Trends in Personal Vehicle Ownership

- **Greater Affordability:** Two-wheelers have become genuinely more affordable in India because people are earning more and bike loans have gotten cheaper. The 2025 Union Budget raised the income tax exemption to Rs 12 lakh (Rs 12.75 lakh including standard deductions), effectively boosting take-home pay and freeing up household budgets. Meanwhile, the RBI cut key policy rates by about 1% since early 2025, which has lowered interest on two-wheeler loans, making EMIs easier to bear. Building on this, the Union Budget 2026 continued its focus on boosting consumption by rationalizing personal income tax slabs, increasing rebates for salaried individuals, and introducing targeted incentives to support rural income growth and consumption demand.

- **Accessible Two-Wheeler Financing Solutions:** Financing a two-wheeler in India has become increasingly accessible and affordable due to favourable lending terms offered by banks and NBFCs. According to BankBazaar, interest rates for two-wheeler loans start as low as 8.75% per annum, with many lenders providing up to 100% financing of the vehicle's on-road price. Loan tenures are flexible, typically ranging from 12 to 60 months, allowing borrowers to choose EMI plans that suit their repayment capacity. The minimum income requirement to be eligible for a two-wheeler loan is generally around Rs 10,000 to Rs 12,000 per month, making it viable for a large portion of the working population. Processing fees are relatively low, usually between 1% to 3% of the loan amount and in some cases, lenders waive them as part of promotional offers.

➢ **Government Incentives and the Future of Two-Wheeler Financing:** Government subsidies play a pivotal role in accelerating the adoption of electric two-wheelers in India. Under the PM E-DRIVE scheme, buyers of electric two-wheelers are eligible for demand incentives based on battery capacity. In the first year (FY25), the subsidy is Rs 5,000 per kilowatt-hour (kWh), capped at Rs 10,000 per vehicle. In the second year (FY26), the subsidy is reduced to Rs 2,500 per kWh, with a maximum limit of Rs 5,000 per vehicle.

➢ **Digital Transformation in Two-Wheeler Loan Processing:** The digitalization of the financial sector has significantly streamlined the two-wheeler loan application process. Instant loan approvals, digital sanctioning with minimal paperwork and fully paperless documentation have become standard practices. Banks and NBFCs leverage robust digital platforms to provide borrowers with a seamless and efficient experience.

➢ **Customised Two-Wheeler Financing Solutions**: The future of two-wheeler financing is increasingly defined by customized loan offerings tailored to meet the diverse needs of individual borrowers. Leading banks and NBFCs are now providing flexible loan structures with varied tenures, repayment plans and interest rate options. Innovative features such as step-up EMIs, balloon payments and variable interest rates are gaining traction, reflecting the dynamic trends in the 2024 lending landscape. These personalized solutions enable borrowers to select repayment terms that best align with their financial capacity, thereby improving accessibility and supporting more inclusive growth within the two-wheeler loan market.

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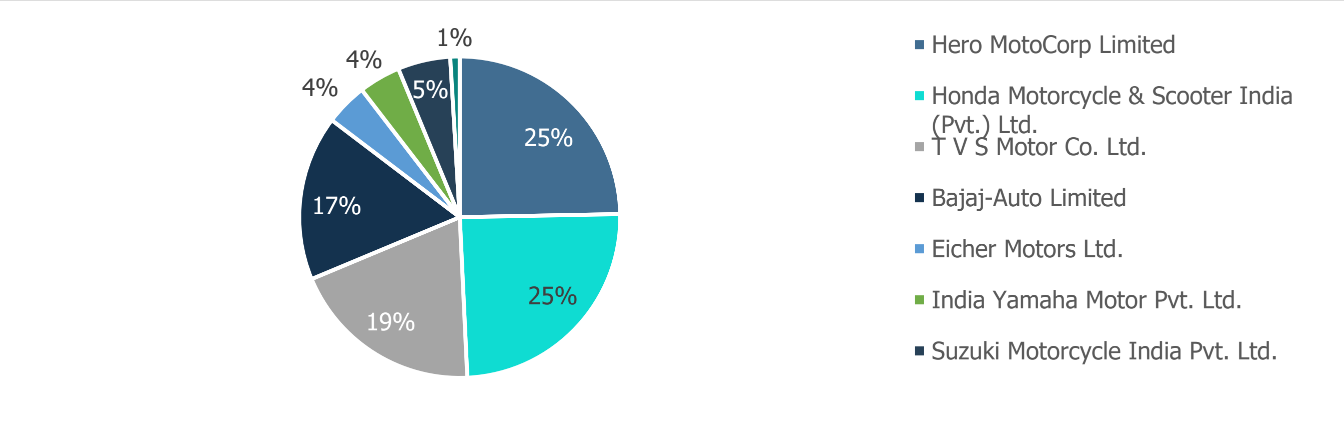
Key players in Two-Wheelers Industry

The major players in the 2W industry include Hero MotoCorp ltd, Honda Motorcycle and Scooters Pvt ltd, TVS Motor Co. ltd and Bajaj Auto ltd. Hero Motocorp ltd. has the highest market share at 29%, followed by Honda Motorcycle & Scooter India (Pvt.) ltd at 27% in FY25. The market share of different players in the industry is depicted below:

Chart 19: Market Share of Major 2W Players in FY25



Source: CMIE, CareEdge Research

The market share of key two-wheelers players is categorized amongst motorcycles, scooters and mopeds for FY25 are listed below in the table: -

Table 8: Category-Wise OEM sales

FY25 Sales (in units)	Motorcycle	Scooters	Mopeds	Total 2W	Market Share (in %)
Hero MotoCorp Limited	54,77,649	4,20,174	-	58,97,823	25%
Honda Motorcycle & Scooter India (Pvt.) Ltd.	27,02,995	31,61,353	-	58,64,348	25%
T V S Motor Co. Ltd.	22,19,536	19,04,982	5,24,149	46,48,667	19%
Bajaj-Auto Limited	36,89,134	2,77,826	-	39,66,960	17%
Eicher Motors Ltd.	10,11,126	-	-	10,11,126	4%
India Yamaha Motor Pvt. Ltd.	6,19,964	3,82,659	-	10,02,623	4%
Suzuki Motorcycle India Pvt. Ltd.	1,85,370	10,80,037	-	12,65,407	5%
Others	16,253	2,10,650	-	2,26,903	1%
Total	**1,59,22,027**	**74,37,681**	**5,24,149**	**2,38,83,857**	**-**

Source: CMIE, CareEdge Research

Challenges in adoption of E-Motorcycles in India

The adoption of electric motorcycles in India is gradually gaining momentum, driven by several factors that align with the country's evolving mobility needs.

Parameter	EV Bike	EV Scooter
Cost (INR)	INR 1–3 lakh	INR 70k–1.2 lakh
Model Variety	Less	More
Target Areas	City, Highway	Urban Commuter
Design Format	Still evolving	User-friendly, lightweight

1. Cost (INR): EV bikes are priced between INR 1–3 lakh, while EV scooters are much more affordable, ranging from INR 70,000 to INR 1.2 lakh. This price difference makes scooters far more accessible to the average Indian consumer, especially those seeking affordable urban mobility. High upfront costs act as a significant barrier to the mass adoption of EV bikes.

2.Target Areas: EV bikes are positioned for both city and highway usage, but due to current limitations in range, battery capacity and charging infrastructure, they remain less viable for long-distance travel. EV scooters, in contrast, are purpose-built for urban commuting, where shorter distances, frequent stops and heavy traffic are the norm. Their ease of handling and lower maintenance needs make them particularly well-suited for city use. This is also why major last-mile delivery companies such as Zomato, Swiggy, Zepto and Blinkit have adopted EV scooters/mopeds for their fleets. These scooters/mopeds offer better practicality for short-range deliveries, quick acceleration in stop-and-go conditions and cost efficiency, giving them a clear edge over e-motorcycles in urban logistics. As a result, the dominance of EV scooters in commercial applications has further slowed the broader adoption of e-motorcycles in India's urban mobility landscape.

3. Model Variety: EV bikes currently offer fewer model options compared to the wide variety available in EV scooters. This lack of diversity in the EV bike segment limits customer choice and reduces the likelihood of meeting different consumer preferences in terms of design, performance and pricing. In contrast, the broader range of EV scooter models attracts a wider customer base.

4. Design Format: The design of EV bikes is still evolving, with many models' needing improvement in terms of aesthetics, performance and comfort when compared to traditional fuel-powered motorcycles. EV scooters, however, have seen rapid design improvements and now offer user-friendly, lightweight and stylish options that cater well to the urban youth and working professionals.

5. Declining Share of Low-Speed E2Ws Amid Stronger ICE Vehicle Performance: Sales of low-speed electric two-wheelers (E2Ws) remain higher than high-speed models; however, their share has been declining in recent years. This trend is driven by the absence of subsidies for the segment and the fact that internal combustion engine (ICE) two-wheelers offer better speed, range, and overall performance compared to low-speed EVs.

Outlook for Domestic Two-Wheeler Industry

Traditional internal combustion engine (ICE) vehicles will continue to remain the backbone of India's mobility sector, supported by their affordability, extensive fueling infrastructure and consumer familiarity. Two-wheelers, passenger cars and commercial vehicles powered by petrol and diesel continue to dominate sales, particularly in rural and semi-urban markets where accessibility and cost remain critical factors. Established supply chains, proven technology and widespread servicing networks ensure that ICE vehicles retain their stronghold, even as the industry explores alternative mobility options.

Rising demand for personal mobility, strong replacement cycles and the increasing use of two-wheelers and small cars as affordable transport solutions will keep the ICE segment buoyant. Moreover, advancements in fuel efficiency, compliance with stringent emission norms (such as BS-VI Phase II) and the availability of CNG and hybrid variants are helping extend the relevance of traditional vehicles. For commercial applications, where payload, range and reliability are vital, ICE vehicles continue to be the preferred choice.

While the government is introducing incentives for EVs and their components, challenges around high upfront costs, dependence on critical mineral imports and underdeveloped charging infrastructure indicate that EV adoption will be gradual. In this transition period, ICE vehicles will not only maintain their dominance but also benefit from incremental technology upgrades that align with environmental and efficiency goals.

Automotive Component Industry

The automotive industry encompasses a vast network of companies and activities involved in the design, development, manufacturing, marketing and sale of motor vehicles. It includes the production of passenger cars, trucks, buses and their components, excluding certain parts like tires and batteries.

Global Auto-Component Market

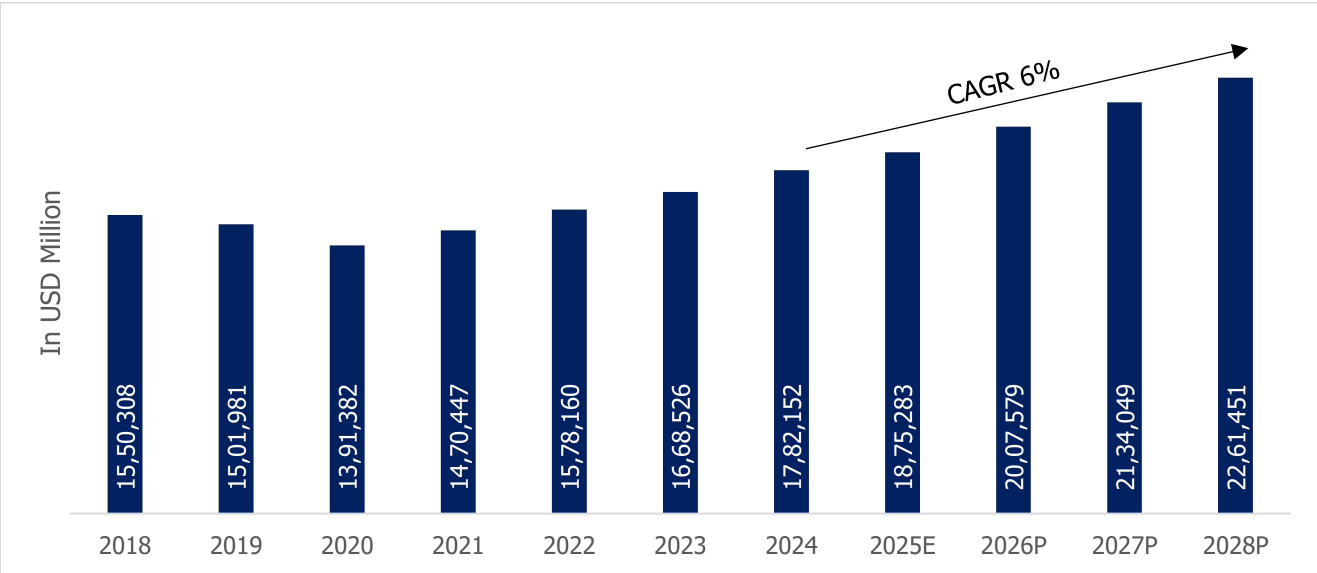
Industry Overview

The global auto components industry comprises auto component manufacturers, aftermarket parts manufacturers, suppliers, dealers and retailers in all its diversity. The production and demand of the auto component industry are directly proportional to that of the automobile industry.

China dominates the global manufacturing of auto components. However, the wind is shifting toward other Asian nations, including India, due to higher market potential and the availability of low-cost manufacturing options. Further, the global exports of auto components have grown over the past decade in most sub-categories. Gearboxes, drive axles, steering wheels, road wheels, suspension shock absorbers, clutches, bumpers, radiators & brakes and servo-brakes are the most globally traded auto components.

Global Auto Component Industry Market Size

Chart 20: Global Auto Component Market Size



Source: Maia Research, CareEdge Research; E: Estimated, P: Projected
Note: The year mentioned in this chart and subsequent sections is Calendar Year

The increasing disposable incomes and rising inclination to buy vehicles are the primary factors contributing to increased demand for automotive components. Further, as the thriving automobile manufacturing market continues to expand, the market demand for automotive components continues to increase. In addition, with the continuous development of new energy vehicle technology, the scale of the new energy vehicle market continues to expand, driving the market demand for related automotive components.

Types of Automotive Components in the Market

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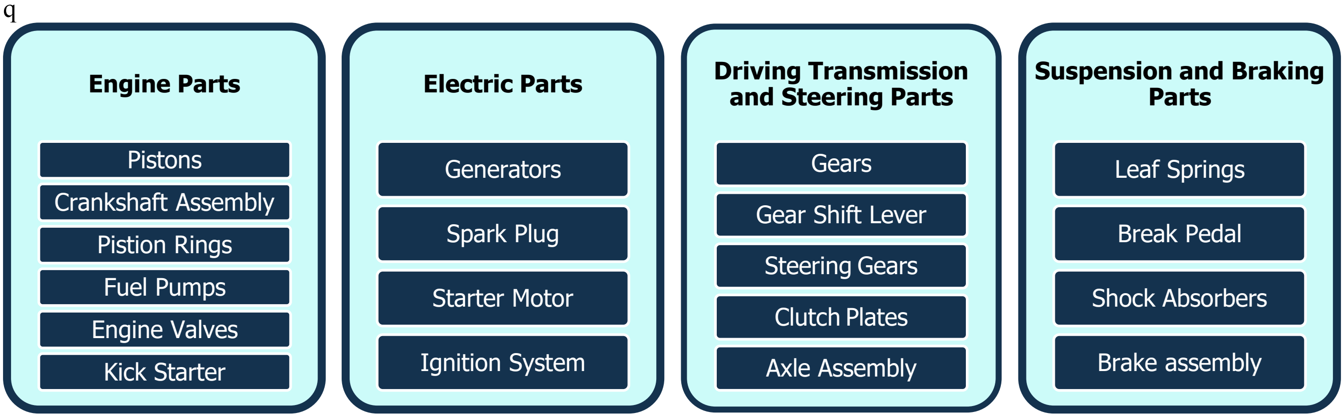


Source: Automotive Component Manufactures Association of India (ACMA)

1. Engine Parts: These are the core components of an internal combustion engine that convert fuel into motion. Pistons, piston rings, valves, fuel pumps, ignition systems (spark plugs, carburetors) and bearings are the listed component under this. They work together to manage air, fuel and combustion processes inside the engine block. Crankshaft is a part of the engine components.

2. Electric Parts: These handle power generation, ignition and electrical systems and the major components under this are starter motor (to crank the engine), alternator/generator (to charge the battery), ignition coils and spark plugs. They also power lighting, electronics and control units essential for vehicle function.

3. Driving, Transmission & Steering Parts: This group couples engine power to the wheels and allows directional control, gears, axle assemblies, clutch plates and discs, steering gears and linkage systems. Together, they enable torque transfer and precise steering via rack-and-pinion or column systems.

4. Suspension & Braking Parts: Designed to absorb shocks and stop the vehicle: leaf springs, coil springs, shock absorbers, brake assemblies (pads, discs, drums) and anti-lock braking systems (ABS). These parts ensure ride comfort, handling and safety by managing motion and preventing wheel lock-up during braking.

5. Equipment: This includes auxiliary components critical for visibility and interaction: headlights, wiper motors and systems, dashboard instruments and electric horns. They support driver awareness and comfort by enabling safe operations in various conditions.

6. Footrest (Dead Pedal): - The footrest, commonly known as the dead pedal, is a stationary component in vehicles, particularly beneficial in manual transmission cars. It provides ergonomic support by allowing the driver to rest their left foot, reducing fatigue during long drives. Additionally, it helps prevent accidental engagement of the clutch or brake pedals and promotes smoother gear transitions. In automatic vehicles, the dead pedal serves as a comfort feature, offering a stable surface for the driver's foot.

7. Gear Shift Lever: The gear shift lever, also known as the gear stick or gear selector, is a crucial component in manual transmission vehicles. It allows the driver to select different gear ratios within the transmission, enabling the vehicle to operate at various speeds and under different driving conditions. The lever is connected to the transmission via a linkage system, which transmits the driver's input to engage the appropriate gears.

8. Brake Pedal: The brake pedal is an essential component of a vehicle's braking system. When depressed, it activates the brake master cylinder, which pressurizes brake fluid to engage the brake calipers or wheel cylinders. These components apply friction to the brake pads or shoes, slowing down or stopping the vehicle. The brake pedal's design ensures that the braking force is appropriately modulated for safe and effective stopping.

9. Lever Kick: It refers to the kick-down lever in automatic transmissions, which allows the driver to accelerate quickly by shifting to a lower gear. This mechanism is typically activated by pressing the accelerator pedal firmly, prompting the transmission to downshift for increased power.

10. Crankshaft Assembly: The crankshaft assembly is a fundamental component in internal combustion engines. It converts the linear motion of the pistons into rotational motion, driving the vehicle's wheels. Made from materials like forged steel or cast iron, the crankshaft is designed to withstand high stresses and temperatures. Its precision engineering ensures the engine operates smoothly and efficiently.

Table 9: Mapping the Transition from ICE Components to EV Technologies

Component	Impact by EV Shift	Component	Impact by EV Shift	Component	Impact by EV Shift
Electric Motors	**Positive**	Seats	**Neutral**	Exhaust Systems	**Negative**
Batteries	**Positive**	Steering Systems	**Neutral**	Fuel Injection Systems	**Negative**
Power Electronics	**Positive**	Brake Linings	**Neutral**	Oil Filters / Pumps	**Negative**
Inverters	**Positive**	Suspension Systems	**Neutral**	Clutches	**Negative**
Thermal Management Systems	**Positive**	Wiring Harnesses	**Neutral**	Radiators	**Negative**
Infotainment Systems	**Positive**	Gears	**Neutral**		
Lighting Systems	**Positive**				

Steering Systems (**Steering Column Yokes**) **:-**The shift from ICE to EV technologies has led to the adoption of Electric Power Steering (EPS) systems, which replace traditional hydraulic steering mechanisms. EPS systems use electric motors to assist steering, offering advantages such as reduced energy consumption, lower maintenance requirements and the potential for more precise control. This transition also paves the way for advanced features like steer-by-wire systems, which eliminate the mechanical link between the steering wheel and the wheels, allowing for more flexible vehicle design and enhanced integration with autonomous driving technologies. However, since ICE vehicles continue to make up the majority of the Indian automotive market, demand for traditional steering components tied to hydraulic mechanisms remains strong. Thus, while EPS is making inroads, ICE-related steering parts remain the mainstay for now.

Brake Linings: - In electric vehicles, regenerative braking significantly reduces reliance on friction-based braking, resulting in much slower wear of brake pads and rotors compared to internal combustion engine (ICE) vehicles, in which braking components undergo frequent mechanical wear. However, the infrequent use of friction brakes in EVs can lead to issues like rust build-up, glazing and uneven wear challenges not as prevalent in ICE systems due to regular brake usage. EV brake components therefore require thoughtful material choices (such as ceramic or rust-resistant linings) and periodic use of conventional braking to prevent degradation and ensure safety

Engine Parts (Crankshaft Assembly for 2 Wheelers, Kick Starter, Gear Blanks):- Modern automotive engineering has embraced a streamlined approach by reducing the number of mechanical components in vehicle powertrains. This design philosophy enhances efficiency and reliability, leading to smoother operation and increased durability. By minimizing the complexity of engine components, vehicles benefit from improved performance and reduced maintenance needs. This approach not only contributes to a more efficient energy conversion but also results in quieter and more comfortable driving experiences. Additionally, the simplified design facilitates easier maintenance and potentially lower long-term ownership costs, making vehicles more accessible and convenient for consumers.

Gears (Gear Blanks, Gear Shift Levers)**:-** Even as EVs streamline drivetrain complexity by favoring single-speed gearboxes, the automotive gearbox market continues to be anchored by ICE vehicles, which still dominate global production and sales. Regions with slower EV adoption such as areas lacking charging infrastructure or in developing economies continue to drive steady demand for traditional multi-speed transmissions. Notably, OEMs are repurposing EV-focused facilities back to ICE transmission production in response to current market needs. This enduring demand underscores that while EVs are redefining transmission technology, ICE remains a backbone of automotive manufacturing and gearbox and drivetrain innovation remains relevant across both powertrain paradigms.

Indian Auto-Component Market

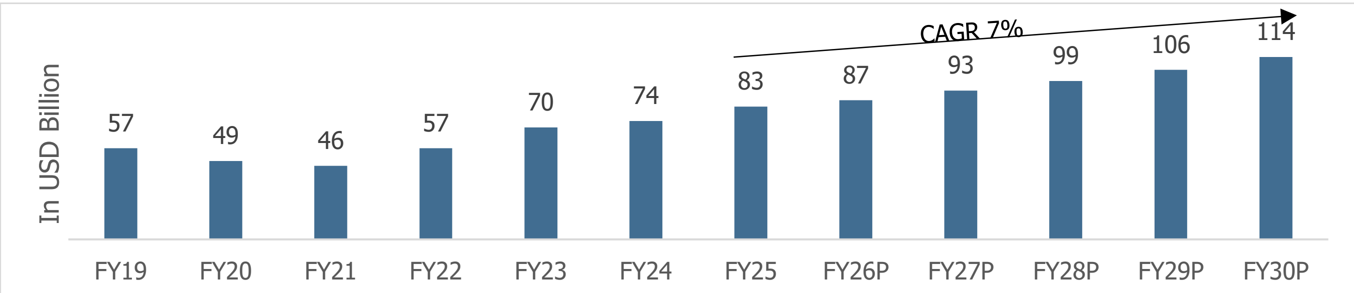
Industry Overview

The Indian auto component industry is critical to the automobile OEM value chain. The organized segment of this industry mainly includes OEMs engaged in the manufacturing of high-value precision component parts. While the unorganized segment mainly comprises low-valued products catering to after-market services. The industry is highly fragmented with most firms being Indian-originated and a relatively lower number of foreign firms and joint ventures operating in the segment.

Indian Auto Component Industry Market Size

The Indian automotive component industry has experienced significant growth, driven by several key factors. The sector has witnessed a steady increase in domestic vehicle production, supported by a robust aftermarket segment and a growing export market.

Chart 21: Indian Auto Component Market Size



Source: ACMA; CareEdge Research; E: Estimated; P: Projected

In FY24, the Indian automotive component industry posted a turnover of USD 74.1 billion, reflecting steady growth from USD 57.1 billion in FY19 despite interim fluctuations in the intervening years (USD 49.3 billion, USD 45.9 billion, USD 56.6 billion and USD 69.7 billion). Growth was supported by strong aftermarket demand and a consistent trade surplus, with exports outpacing imports. Higher passenger vehicle output and the rebound in two-wheeler production boosted OEM supplies, while an increasing share of electric vehicle components highlighted the industry's alignment with evolving mobility trends. Looking ahead, the market is projected to expand from USD 83 billion in FY25 to nearly USD 114 billion by FY30, registering a CAGR of around 7%, supported by domestic demand recovery, technology adoption and rising export competitiveness.

Growth was driven by several key factors:

OEM Supplies: Domestic supplies to Original Equipment Manufacturers (OEMs) accounted for USD 62.4 billion, marking a 5.3% growth. Notably, the electric vehicle (EV) sector contributed 6% to this total.

Exports: Exports grew by 5.5% to USD 21.2 billion, with North America, Europe and Asia being key markets.

Imports: Imports increased by 3% to USD 20.9 billion, resulting in a trade surplus of USD 0.3 billion.

Aftermarket: The aftermarket segment reached USD 11.3 billion up 6.7% from the previous year, driven by increased vehicle usage and a shift towards organized retail.

Table 10: Indian Auto Component Industry Sales Performance and Outlook

Categories	2018 (USD Mn)	2022 (USD Mn)	2024 (USD Mn)	2025 (USD Mn)	2028(P) (USD Mn)	CAGR (2018-2022)	CAGR (2024-2028)
Sales to OEMs	28,670	32,105	35,055	37,649	46,618	2.9%	7.4%
Aftermarket	9,126	9,690	10,585	11,305	13,768	1.5%	6.8%
Exports	13,418	14,708	16,186	17,384	21,515	2.3%	7.4%
Total	**51,214**	**56,502**	**61,825**	**66,338**	**81,901**	**2.5%**	**7.3%**

Source: Maia Research

Note: - The value for each segment is in Calendar Year (CY), Projected (P)

Further, the auto component industry witnessed a steady growth of 23% in FY23, both in the domestic and international markets. This was primarily led by growth in vehicle sales due to a shift in market preference toward premium vehicles and increased value-added components contributed to the increased turnover of the auto-components sector. There has been steady growth in exports despite recessionary trends in Europe and the US which are key export destinations for the auto components industry. A strong rebound in vehicle sales in the domestic market also led to an acute rise in imports. The aftermarket showed a growth of 6% in FY23 over FY22. Increased movement of vehicles post-pandemic and a surge in demand for used vehicles led to buoyancy in the aftermarket across all segments.

Digitization is rapidly changing the face of manufacturing alongside raising the domestic demand for vehicles in the premium segment with the transition toward electric vehicles and biofuels. Automation, robotics and artificial intelligence are becoming central to production processes, enhancing productivity, quality and cost-effectiveness. The traditional cost advantage based on labour is diminishing, necessitating investments in advanced technologies and upgradation. Also, sustainability is serving as a potent catalyst for driving innovation, especially in designing vehicles and components.

Moreover, the adoption of 5G and connected vehicle technologies will aid the growth of future mobility. Investments in innovative programs focusing on emerging technologies like Industry 4.0, AI, Machine Learning, data analytics and cybersecurity will further empower the Indian auto component industry to seize global opportunities and enhance design & manufacturing capacities. Also, sustainability and energy efficiency through cleaner technology, aligned with India's ambitious energy transition plan, will lead to core growth opportunities in the auto component industry. With the commitment to becoming net zero by 2070, India's drive toward clearer fuels and EVs is rapidly shaping the industry's future.

Segment Wise Industry Sales

The auto component industry has various segments such as the engine, the body, the interiors, etc. The engine components contribute the highest to the sales of the industry, facilitated by the vehicle sales across segments. The percentage of component sales under each category are depicted below:

Table 11: Automotive Component Industry Sale

Sr. No.	Categories	2018 (USD mn)	2022 (USD mn)	2024 (USD mn)	2025 (USD mn)	2028 P (USD mn)	CAGR (2024-2028)
1	**Engine Components**	16,204	18,058	19,888	21,340	26,402	7.30%
2	**Interiors**	3,641	3,870	4,309	4,649	5,840	7.90%
3	**Electric systems**	4,763	5,255	5,845	6,242	7,617	6.80%
4	**Chassis**	1,178	1,362	1,531	1,652	2,074	7.90%
5	**Suspension & Braking**	6,356	7,023	7,810	8,349	10,199	6.90%
6	**Transmission (Motor and Motor Controller- EV)**	1,880	1,921	1,991	2,126	2,595	6.80%
7	**Cooling Systems**	497	610	696	755	965	8.50%
8	**Consumables**	5,111	5,520	6,005	6,419	7,839	6.90%
9	**Die Cast Components**	1,091	1,119	1,182	1,255	1,501	6.20%
9.1	Zinc	48	53	59	64	80	7.90%
9.2	Aluminium	538	559	595	634	769	6.60%
9.3	Other Die Cast Components	504	506	527	556	652	5.50%
10	**Ignition Switches**	6	7	8	9	11	7.40%
10.1	Steering Column Ignition Lock	4	5	6	6	8	8.30%
10.2	Other Ignition Switch Components	2	2	3	3	3	5.30%
11	**Switches**	128	136	137	149	190	8.50%
11.1	Handlebar Switches	92	97	98	106	132	7.70%
11.2	Others Switch Components	36	38	40	44	58	9.70%
12	**Others**	10,360	11,621	12,423	13,367	16,670	7.60%

Source: Maia, CareEdge Research

The Engine Components segment led with a 26 % share, driven by rising vehicle production, localization of powertrain modules (capturing 6 % of EV component supply) and robust domestic OEM demand. As global vehicle production continues to rise, there is a corresponding increase in the demand for high-quality engine components. This growth is particularly evident in regions like Asia-Pacific, where countries such as China and India are leading the way in manufacturing and consumption.

Suspension & Braking followed at 15 %, supported by strong aftermarket volume and dominance of suppliers in two-wheeler and commercial vehicle segments and passenger vehicle. With 14 %, the Body/Chassis/BIW segment remained vital, feeding rising SUV and premium vehicle production as well as exports.

Drive Transmission & Steering took a significant 13 %, bolstered by high export share (34 % of component exports in FY24) and localisation initiatives. Electricals & Electronics claimed 12 %, a structural growth area propelled by demand for EV components, ADAS, sensors, connectivity modules and export opportunities. Interiors (non-electronic) represented 11 %, reflecting growing demand for premium cabin features and rising passenger vehicle sales. Smaller segments like Consumables & Miscellaneous (7 %), Rubber Components (1 %) and Cooling Systems (1 %) also contributed materially, particularly through replacement parts in the aftermarket and niche OEM applications.

Component Sales by OEMs

The passenger vehicle PV segment comprised the highest share of component supplies at 44%, followed by commercial vehicles at 34% and two-wheelers at 19% in FY24. The growth in sales volume across segments was supported by healthy demand in the urban areas, increasing replacement demand, growing demand for utility vehicles in the passenger vehicle segment, vehicle scrappage policy and higher infrastructure spending. Despite inflationary pressure throughout the year, preponing purchases before the implementation of new BS-VI Phase -II norms, easing of semiconductor chip supply and pent-up demand supported the sales growth.

Table 12: Indian Auto Component Industry Sales by Category and Outlook

Categories	2018 (USD mn)	2022 (USD mn)	2024 (USD mn)	2025 (USD mn)	2028 (P) (USD mn)	CAGR (2024-2028)
Passenger Vehicles	21,776	24,194	26,634	28,632	35,545	7.50%
Commercial Vehicles	12,732	13,973	15,197	16,276	19,984	7.10%
Two Wheelers	11,257	12,301	13,459	14,361	17,437	6.70%
Tractor	2,863	3,029	3,165	3,377	4,103	6.70%
Construction equipment	942	1,102	1,255	1,402	1,957	11.70%
Others	1,644	1,904	2,114	2,283	2,875	8.00%

Source: Maia Research
Note: - The value for each segment is in Calendar Year (CY), Projected (P)

Key players in Indian Automotive Non-Heavy Forging Components Industry[1]

The key Indian engine component players are mentioned below: -

1. Ramkrishna Forgings Limited (RKFL): Established in 1981 and headquartered in Kolkata, RKFL is a prominent player in the metal forming industry. The company specializes in supplying forged, machined and fabricated components to various sectors, including automotive, railways, oil & gas and power.

2. Sansera Engineering Limited: Sansera Engineering Ltd, founded in 1981 and headquarters in Bengaluru, specializes in manufacturing precision-engineered components for the automotive and aerospace sectors. The company offers a wide range of products, including crankshafts, camshafts and connecting rods, serving major OEMs like Maruti Suzuki, Honda and Harley-Davidson.

3. Kay Jay Forgings Limited: Kay Jay Group of Companies, established in 1983 in Ludhiana, is a manufacturer of forged, machined and precision sheet metal components for the Automotive & Non-Automotive sector. The company offers wide range of products including crankshafts, connecting rods and other major automotive components serving major 2wheeler OEMs like TVS, Hero MotoCorp., Etc.

4. Rolex Rings Limited: Rolex Rings produces forged parts and machined bearing rings including spacers, ball bearings, cylindrical and tapered components and railway bearing components. They serve both domestic and international markets, supplying leading OEMs, auto-component producers and prominent bearing manufacturers. Their products are tailored to meet the specific requirements of each industry.

Key Government Initiatives

The government has increased focus on the industry related to increased focus on localization of components. Various initiatives taken by the government are: -

- **National Automotive Testing and R&D Infrastructure Project (NATRiP)**

  The National Automotive Testing and R & D Infrastructure Project (NATRiP) are an initiative of the Government of India in the automotive sector. The aim of this Project is to improve the core competencies in Automotive sector in

[1] Note: These companies have been considered as the peers for Kay Jay Forgings.

India and facilitate seamless integration of Indian Automotive industry with the world as also to position the country prominently on the global automotive map.

The vision of this project involves deepened manufacturing, localized R&D and to boost exports.

Converge India's unparalleled strengths in IT and electronics with automotive engineering sectors, to firmly place India in USD six trillion global automotive business. The project has set the above vision keeping in mind certain facts,

Ministry of Heavy Industries & Public Enterprises, Government of India, has constituted NATRIP Implementation Society (NATIS), an autonomous body, for the execution of National Automotive Testing and R&D Infrastructure Project (NATRIP). NATIS has been entrusted to set up state of the art, Automotive Test facilities at six locations across India, with an investment of Rs 3727.30 Cr. The project involves collaboration among the Government of India, a number of State Governments and Indian Automotive Industry to create a state-of-the-art Testing, Validation and R&D infrastructure in the country. Four new centers have been set up in Manesar (Haryana), Chennai (Tamil Nadu), Indore (Madhya Pradesh) and Silchar (Assam). The two existing facilities at Pune and Ahmednagar have been upgraded with the new technologies.

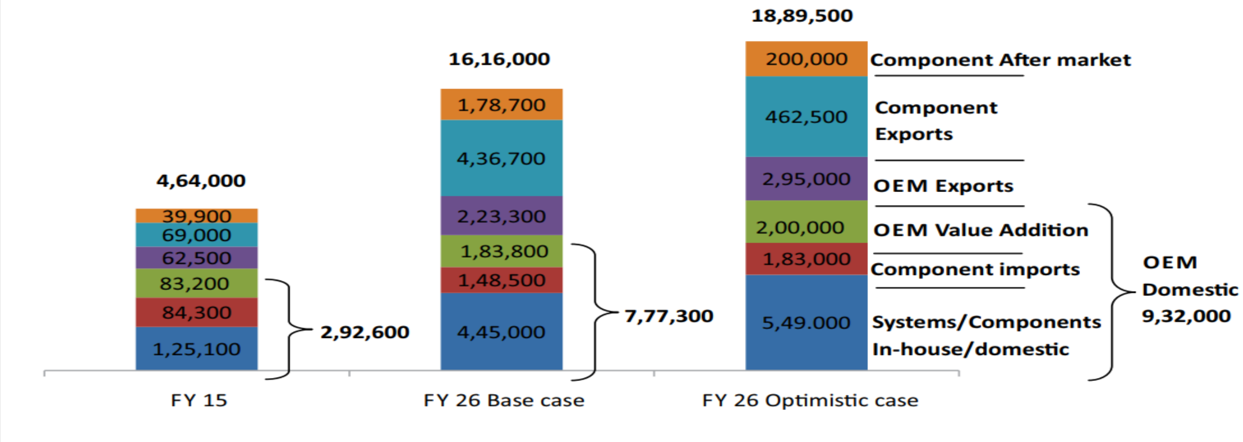
- **The Automotive Mission Plan 2047**

The government is also actively working on the Automotive Mission Plan (AMP) 2047, a long-term strategy aimed at positioning India as a global hub for the automotive and auto-component sectors. Building on the success of the previous Automotive Mission Plans (AMP 2016 and AMP 2026), AMP 2047 envisions substantial growth in vehicle production, increased exports and significant contributions to the economy. AMP 2047 aims to solidify India's position as a key player in the global automotive landscape while focusing on sustainability, innovation and economic growth.

AMP 2026 is the collective vision of Government of India (Government) and the Indian Automotive Industry on where the Vehicles, Auto components and Tractor industries should reach over the next ten years in terms of size, contribution to India's development, global footprint, technological maturity, competitiveness and institutional structure and capabilities.

AMP 2026 envisages that the Indian Automotive Industry will grow 3.5-4 times its value from its current output of around Rs. 4,640 billion to about Rs 16,160 – 18,885 billion by 2026, based on a base of case with average GDP growth rate of 5.8% and an optimistic case with an average GDP of 7.5% during the period. The following chart provides current and projected composition of the industry over the next decade.

Chart 22: Automotive Mission Plan Projections



Note: All values in the above chart are in ₹ crore and at current year (2015) prices.

Source: NITI Aayog Press Release

- **Current policy framework/regulations pertaining to Electric Vehicles industry in the passenger vehicles segment**

Automotive industry globally is at the cusp of a major transformation. Growing concerns for environment and energy security clubbed with rapid advancements in technologies for powertrain electrification, increasing digitalization, evolution of future technologies and innovative newer business models and ever-increasing consumer expectations are transforming the automotive business. One of the key facets of such a change is the rapid development in the field of electric mobility which might transform the automotive industry like never before. The Government had launched FAME (Faster Adoption and Manufacturing of (Strong) Hybrid and Electric Vehicles in India) in 2015 with the objective of promoting and facilitating adoption of Electric Vehicles in India. The second phase of the scheme FAME II was launched from April 2019 for three years with a total budgetary support of Rs 10,000 crore.

- **Scrappage Policy**

  The government had announced the scrappage policy in 2021 which will mandate commercial vehicle fleet owners to abandon or scrap their vehicles after 15 years if they don't meet the fitness or emission criterion laid by the government. This is likely to generate demand for new CVs and boost sales. Moreover, it will help in curbing pollution, improving road safety, better fuel efficiency, boosting the availability of low-cost raw materials for auto, steel and electronics industry.

- **Production Linked Incentive (PLI) scheme for Semi-Conductors**

  The global automobile industry is facing supply chain disruptions amidst severe semiconductor shortage. On December 15, 2021, the Government of India has proposed to provide incentives of Rs. 76,000 crores for the development of semiconductors and display manufacturing ecosystem. This scheme will provide globally competitive incentive package to the companies for setting up plants in India in order to manufacture high quality semiconductor chips over the next 6-10 years. This initiative will further help to strengthen the domestic semiconductor manufacturing capacity and support the automobile industry over the medium term.

  Last year, the Government planned to allocate over Rs. 57,042 crores to the auto industry for a period of five years. However, the Cabinet slashed that by more than 50% to Rs. 25,938 crores to focus on green automotive manufacturing. A total of 115 companies has filed for application in this PLI scheme which is expected to be commencing on FY23 as per the ACMA report, out of which 20 OEMs have already been approved for incentives in February 2022. This scheme is expected to provide 18% incentive for encouraging the industry to make investments.

Importance of Components in Two-Wheelers

Two-wheelers, encompassing motorcycles, scooters and mopeds, are intricate machines where each component plays a vital role in ensuring optimal performance, safety and compliance with regulatory standards.

Important Components in Two-wheelers
1. Engine and Transmission Systems
• Functionality: The engine serves as the heart of the two-wheeler, converting fuel into mechanical energy. The transmission system efficiently transfers this energy to the wheels, enabling movement.
• Significance: A well-designed engine and transmission system ensure smooth acceleration, fuel efficiency and overall performance.
2. Braking Systems
• Functionality: Brakes are essential for decelerating and stopping the vehicle. They include components like brake pads, discs and calipers.
• Significance: Advanced braking systems, such as Anti-lock Braking Systems (ABS), enhance safety by preventing wheel lock-up during hard braking, thereby reducing the risk of accidents.
3. Suspension and Tires
• Functionality: The suspension system absorbs shocks from uneven surfaces, while tires provide traction and stability.
• Significance: High-quality suspension and tires contribute to rider comfort, vehicle handling and safety, especially on rough terrains.
4. Electrical and Ignition Systems
• Functionality: These systems manage the vehicle's electrical needs, including starting the engine, lighting and powering electronic components.
• Significance: Reliable electrical systems ensure consistent performance and safety features, such as lighting and horn functionality.

Importance of Supplier Relationships in Two-Wheeler Product Development

In the automotive industry, particularly in the two-wheeler sector, the importance of trust and strong relationships between Original Equipment Manufacturers (OEMs) and suppliers cannot be overstated. These partnerships are foundational to the development of high-quality, reliable and innovative products.

1. **Risk Mitigation and Flexibility:** In a volatile market, risks related to component shortages, price fluctuations and transportation delays are constant. By building strong supplier relationships, OEMs gain valuable support in times of disruption. For example, during the semiconductor shortage, automakers with close supplier ties were often able to secure essential components more reliably than those with less established relationships.

2. **Cost Efficiency and Supply Chain Optimization:** Close supplier relationships help streamline the supply chain and reduce costs through better forecasting, coordinated logistics and bulk purchasing agreements. Additionally, many companies with strong supplier relationships benefit from hidden savings such as early defect detection, improved launch support and more favourable payment terms.

3. **Accelerated Product Development:** Strong supplier relationships facilitate open communication and collaboration, allowing manufacturers to stay ahead of industry trends and integrate cutting-edge solutions into their operations. By

leveraging supplier expertise, manufacturers can continuously improve their products and processes, driving innovation and growth.

4. **Strategic Collaboration and Innovation:** Supplier Relationship Management (SRM) fosters close working relationships, turning suppliers into strategic partners who help meet goals such as cost reduction, quality enhancement and technological advancement. This collaboration opens avenues for innovation, allowing companies to leverage shared knowledge and diverse expertise.

Entry Barriers in Two-Wheeler Component Manufacturing

1. High Capital Requirement for Manufacturing Setup: The auto component industry is highly capital-intensive, requiring large upfront investments in precision machinery, CNC systems, automation, robotics and advanced testing equipment. Apart from manufacturing infrastructure, substantial spending is needed on R&D, prototyping, tooling and quality control facilities. With rising adoption of advanced driver-assistance systems (ADAS), EV parts and lightweight materials, the need for specialized machinery and technology is increasing further. This high financial commitment creates a strong barrier for new players with limited access to capital.

2. Customer Access and Approval Challenges: Automotive OEMs (Original Equipment Manufacturers) rely heavily on trusted suppliers and follow stringent supplier approval processes. New entrants face long lead times in securing approvals, which may involve detailed audits, compliance with global quality systems, sample testing and pilot runs. Even after approvals, suppliers often need to prove consistency over extended periods before securing meaningful business volumes. The high switching costs for OEMs also mean they prefer to continue with existing suppliers rather than onboarding new ones, making customer access a critical entry barrier.

3. Supplier Role in the Value Chain (Tier-1 vs. Tier-2): The supplier ecosystem is structured into **Tier-1 and Tier-2 suppliers**:

- **Tier-1 suppliers** provide complete systems or modules directly to OEMs (e.g., braking systems, engines, infotainment modules). Their role is highly critical, as they integrate sub-components and directly influence vehicle performance.

- **Tier-2 suppliers** provide smaller components, raw materials, or sub-assemblies to Tier-1 players (e.g., castings, fasteners, wiring).
  For new entrants, moving up the chain to Tier-1 status requires not only technology and capacity but also years of proven performance. Without strong Tier-1 linkages or established reputation, Tier-2 players may remain in low-margin, high-volume segments with limited OEM visibility.

4. Stringent Quality and Compliance Norms: The automotive industry is one of the most quality-sensitive sectors globally. Compliance with standards such as IATF 16949, ISO/TS certifications, OEM-specific quality audits and global safety/emission norms is mandatory. Any deviation or defect can lead to recalls, reputational damage and significant financial penalties. OEMs demand near-zero defects' levels (often measured in parts per million), making continuous process improvement and quality assurance critical. For new entrants, setting up systems and processes to meet these stringent requirements is both costly and time intensive.

5. Strong Legacy Relationships with OEMs: OEMs typically maintain long-term relationships with suppliers, valuing reliability, proven performance and historical collaboration. Many auto component companies are locked into supply arrangements that span product lifecycles of 5–7 years, reducing the likelihood of new suppliers being considered mid-cycle. Furthermore, suppliers often co-develop components with OEMs at the design stage, embedding themselves deeply into the value chain. For new entrants, breaking into these established partnerships is extremely challenging without a clear technological edge or cost advantage.

6. QCD Advantage (Quality, Cost and Delivery): The global auto industry is governed by the principle of QCD – Quality, Cost and Delivery.

- **Quality** must be world-class and defect-free.

- **Cost** must remain competitive in a market with wafer-thin margins and high price sensitivity.

- **Delivery** must follow Just-in-Time (JIT) systems to reduce OEM inventory costs.
  Balancing these three simultaneously requires significant operational efficiency, supply chain management and scale advantages. Established players already have fine-tuned QCD systems, while new entrants struggle to meet OEM expectations consistently, which further restricts their entry.

7. Technological Expertise and R&D: The rapid evolution of automotive technologies, particularly with the shift towards electric mobility, demands continuous research and development. OEMs need to invest in advanced manufacturing techniques, automation and digital supply chain management systems. Smaller or new entrants may struggle to match the technological advancements and product offerings of established firms, further complicating their efforts to successfully penetrate the market.

8. Supply Chain Integration and Economies of Scale: Established OEMs benefit from extensive supplier networks and economies of scale, allowing them to negotiate favourable terms and maintain a reliable supply chain. New entrants face difficulties in establishing such networks and may encounter challenges in sourcing quality materials at competitive prices. This disparity can hinder their ability to compete effectively in the market.

9. Brand Recognition and Market Penetration: Building brand recognition in the two-wheeler component manufacturing industry is a formidable task, particularly given the highly competitive and fragmented nature of the market, characterized by the presence of established OEM suppliers, large organized players, and numerous small and mid-sized manufacturers. New entrants must invest significantly in marketing, relationship-building with OEMs, and quality certifications to establish credibility and gain consumer and client trust. Without a strong brand presence and proven track record, attracting customers and securing market share becomes increasingly challenging in this intensely competitive environment.

Outlook for Auto component Industry

The Auto component industry is playing a pivotal role in propelling India's growth, leveraging emerging global opportunities with its distinctive competitiveness and innovations through electrification, technology, digitization and a range of alternative fuels, to redefine the mobility space. Also, the government is fostering a robust automotive supply chain and has been advocating policies promoting localisation, self-reliance and enhancing competitiveness.

The Indian automotive industry has the potential to reach a global scale and be more sustainable. The Indian Government has set an ambitious export target of USD 100 billion by 2033, up from USD 22 billion in FY25, targeting a CAGR of approximately 20%. Also, Niti Aayog has proposed a set of incentives for more than doubling the domestic automotive component industry's turnover to USD 145 billion by 2030. Much of this growth is expected to be driven by internal combustion engine (ICE) vehicles, which continue to dominate production and exports due to strong global demand, established manufacturing capabilities and wide model availability.

Achieving this goal will significantly enhance self-reliance by positioning Indian auto component manufacturers as key suppliers to global OEMs, thereby reducing dependence on imports and advancing the vision of 'Atmanirbharta'. It proposed fiscal support measures for scaling up manufacturing and capital expenditure support for the development of tools, intellectual property transfers and branding support, which are crucial for the automotive component manufacturing sector. The industry players are making successful strides to ensure global prominence by driving tech-led innovations supported by a favourable business environment. Accordingly, the automotive industry is paving its way by embracing cleaner energy sources, digitalization and prioritizing sustainability.

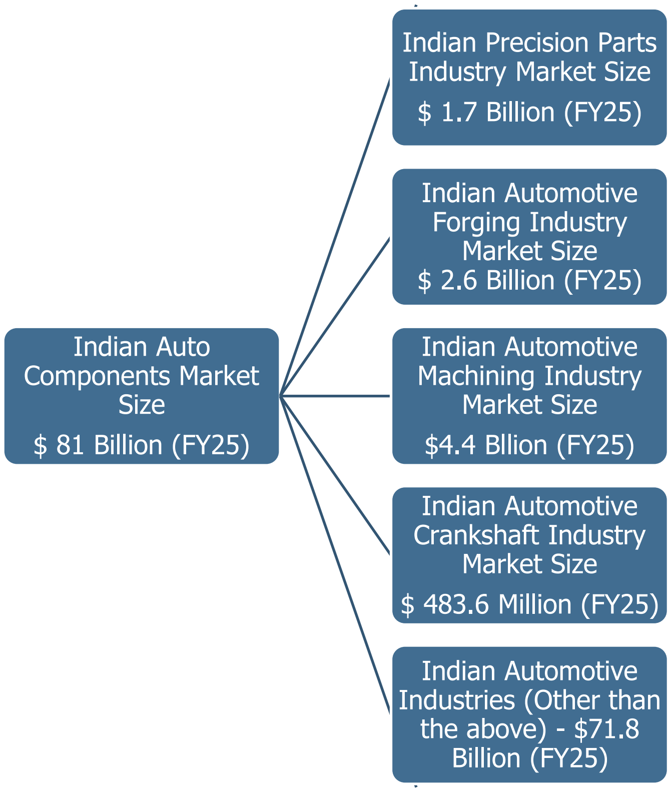
Further, the government's favourable policies are unleashing India's potential to revolutionize the global mobility landscape. The automobile sales are gaining traction with the announcements in Budget 2023-24 on the Vehicle Scrappage Policy, increased infrastructure spending, lowered direct taxes and focus on green mobility. In addition, with the growth in sales of electric vehicles (EVs), the auto component industry is witnessing a fast transformation to be an integral part of the EV manufacturing supply chain. The industry is making steady investments and acquiring technology companies. Several global firms are looking forward to investing in the Indian auto components industry, given its increased focus on deep localisation and the announcements of the PLI schemes by the government on Advanced Chemistry Cell (ACC) Batteries and auto & auto components. Such factors will enable the development of attractive alternative sources of high-end auto components in India.

Moreover, the auto component industry is expected to grow over the long term with the premiumization of vehicles, which will translate into healthy growth for auto component suppliers. With significant mitigation in the supply-side issues of availability of semiconductors, input raw-material costs and logistics, the vehicle industry is expected to continue to perform well in FY26, which augurs well for the auto components sector. In addition, exports and growth in domestic aftermarket continue to be robust.

The Red Sea crisis, driven by Houthi rebel attacks, had severely disrupted global shipping. Major carriers are still avoiding the region, rerouting vessels via the Cape of Good Hope, leading to congestion at ports like Singapore, increased freight rates, delays, and container shortages. This has strained supply chains, raising costs and lead times for manufacturers and exporters. Indian exporters are grappling with high inventory levels and elevated working capital needs, affecting margins. The industry is characterized by high working capital requirements due to the need to maintain substantial inventory levels and manage extended receivable cycles from OEMs. Additionally, continuous investment in raw materials, tooling, and production processes further increases the dependence on working capital. Going forward, raw material price volatility and freight cost escalation remain key risks for OEMs and auto component makers, though aftermarket demand is expected to remain steady.

Total Addressable Market for Indian Auto Components Market

The Indian auto components market is estimated at $81 billion in FY25, encompassing several specialized segments. The precision parts segment is estimated to have been at $1.7 billion, automotive forging at $2.6 billion, and machining at $4.4 billion. Within this ecosystem, the automotive crankshaft industry accounts for $473 million, reflecting a critical sub-segment where Kay Jay Forgings operates. These figures highlight the sizable opportunity within India's automotive component landscape and the specific niche for forging and crankshaft manufacturing.



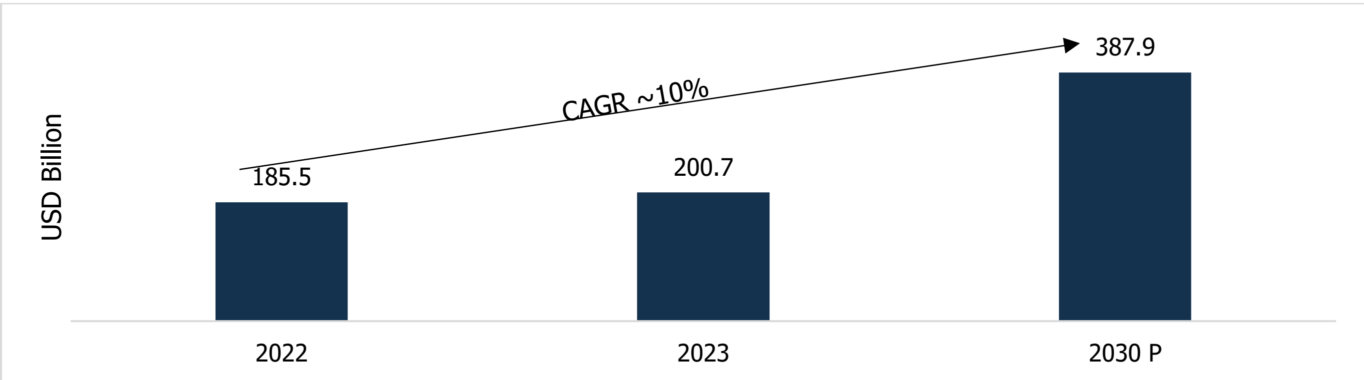
Assessment of the Precision Engineering Parts Industry

Global Precision Engineering Parts Market

Global Market Size

The global precision engineering parts industry involves the design and manufacturing of high-accuracy components for critical applications, serving major sectors like aerospace, medical and automotive. The market is experiencing significant growth, driven by technological advancements, demand for high-quality products, industrial automation and government initiatives supporting advanced manufacturing and clean energy. Key trends include the increasing adoption of lightweight materials, the integration of advanced manufacturing technologies such as 3D printing and a continued shift towards digitalization in production.

Chart 23: Global Precision Parts Market Size



Source: Vibrant Gujarat Global Summit – 2024, CareEdge Research; P: Projected

The global precision parts market, valued at approximately USD 185.53 billion in 2022, is projected to reach around USD 387.89 billion by 2030, advancing at a compound annual growth rate (CAGR) of ~10%. This robust growth is primarily driven by escalating demand across various industries, particularly healthcare, automotive and aerospace, where precision parts are indispensable for manufacturing critical devices and components.

Key Growth Drivers in the Global Precision Parts Market

Rising Demand in Healthcare

Precision parts are increasingly critical in the healthcare and medical device sectors, enabling intricate components for diagnostics, surgical instruments and minimally invasive technologies. This demand is supported by sustained investments in healthcare infrastructure and the growing use of high-precision micro-components.

Surge from Automotive & Electrification

The automotive industry remains a major consumer of precision parts, driven by electric vehicles (EVs), autonomous systems and lightweighting requirements. Precision components are integral to electric drivetrains, power electronics housings, braking systems and safety-critical assemblies.

Aerospace & Electronics Demands

High-precision components are indispensable in aerospace for engine systems, fuel delivery and structural assemblies, and in electronics for miniaturized, high-reliability parts used in semiconductors, sensors and advanced consumer devices.

Refrigeration & Cooling Equipment Expansion

Growth in commercial and industrial refrigeration driven by cold chain expansion, food processing and pharmaceutical storage is increasing demand for precision components such as compressors, valves, heat exchangers and control assemblies, where tight tolerances directly impact energy efficiency and system reliability.

Mining Equipment & Heavy Machinery

The mining sector requires highly durable precision parts for drilling systems, hydraulic assemblies, wear-resistant components and motion control systems. Rising mineral demand for energy transition materials (copper, lithium, rare earths) is supporting investments in advanced mining equipment with higher precision requirements.

Agriculture Mechanisation & Precision Farming

Mechanisation in agriculture, including tractors, harvesters, irrigation systems and precision farming equipment, is driving demand for precision-engineered gears, shafts, hydraulic components and sensor housings. The shift toward smart and automated agricultural machinery further raises tolerance and reliability standards.

Oil & Gas Exploration and Processing

Precision parts are critical in upstream and downstream oil & gas operations, including valves, pumps, compressors, drilling tools and instrumentation. Demand is supported by ongoing investments in exploration, refinery upgrades and LNG infrastructure, where components must meet stringent safety, corrosion resistance and performance specifications.

Smart Manufacturing & Industry 4.0 Adoption

The integration of IoT, AI, automation and data analytics is transforming precision parts manufacturing, enabling higher throughput, real-time quality control and customization, while reducing defect rates across industrial end-use sectors.

Advanced Manufacturing Technologies

Wider adoption of CNC machining, additive manufacturing (3D printing) and advanced surface treatments enables production of complex, application-specific parts for industries such as refrigeration, mining and oil & gas, where performance requirements vary significantly.

Outsourcing & Cost-Efficiency Strategies

OEMs across automotive, industrial equipment, agriculture and energy sectors are increasingly outsourcing precision component manufacturing to specialized suppliers to reduce capital intensity, shorten development cycles and access advanced manufacturing capabilities.

Role of Lightweight Materials in Driving Demand for Precision Parts

The increasing adoption of lightweight materials such as aluminium alloys, titanium, magnesium alloys and advanced composites is a key structural driver for the global precision parts market. These materials are progressively replacing conventional steel in applications where weight reduction, performance efficiency and lifecycle optimization are critical.

Compared to steel, lightweight materials offer a significantly higher strength-to-weight ratio, enabling manufacturers to reduce component mass without compromising structural integrity. This is particularly important in automotive, aerospace, refrigeration, agriculture and industrial equipment, where lower weight directly translates into improved energy efficiency, reduced fuel or power consumption and enhanced system responsiveness.

Lightweight materials also provide superior corrosion resistance and thermal performance in many operating environments. For example, aluminum and titanium alloys are increasingly preferred in oil & gas, refrigeration and outdoor industrial machinery, where exposure to moisture, chemicals and temperature variations accelerates wear in traditional steel components. This improves equipment longevity and lowers maintenance costs.

From a manufacturing perspective, lightweight materials often require higher machining precision and tighter tolerances than steel due to their distinct mechanical and thermal characteristics. This drives demand for advanced precision machining, surface finishing and quality control capabilities, strengthening the role of specialized precision parts manufacturers.

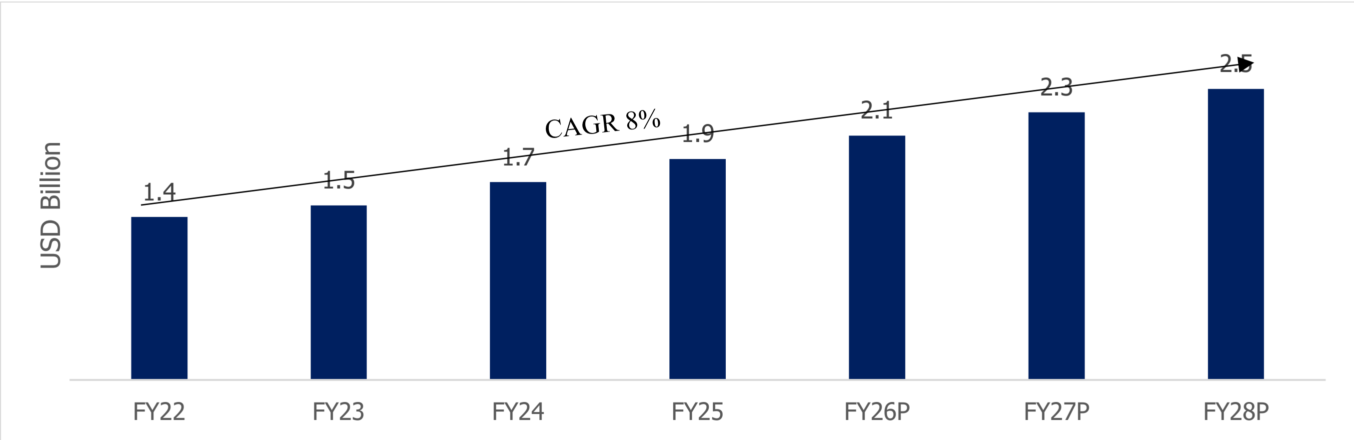
Additionally, regulatory pressure on emissions reduction, energy efficiency and sustainability is accelerating the shift toward lightweight components across end-use industries. As OEMs redesign systems to meet stricter efficiency norms and performance benchmarks, the demand for precision-engineered lightweight components continues to rise, reinforcing long-term growth opportunities in the precision parts market.

Indian Precision Engineering Parts Market

Indian Precision Engineering Parts Industry

The Indian precision engineering parts industry is characterized by strong growth, driven by sectors like aerospace, defence and automotive, with government initiatives fostering its expansion. Key features include high-precision manufacturing using CNC and automated machines for components with tight tolerances, serving critical national programs in space and defence and producing parts for various industries including medical, industrial equipment and electronics. The industry is supported by an increasing number of technologically advanced, export-oriented units and plays a vital role in both domestic and global supply chains.

Chart 24: Indian Precision Parts Market Size



Source: Vibrant Gujarat Global Summit – 2024, CareEdge Research; P: Projected

Key Growth Drivers in the Domestic Precision Parts Market

1. Critical Role in ICE Manufacturing

India's strength in precision engineering supports the production of high-quality internal combustion engine (ICE) components such as cylinder liners, pistons, crankshafts, valves, gears and camshafts. Tight tolerances and uniform dimensions enhance engine efficiency, minimize friction and ensure durability, making precision machining indispensable to the reliability of ICE vehicles.

2. Transmission & Powertrain Reliability

High-accuracy machining of gears, synchronizers and camshafts enables seamless power delivery and smooth gear transitions, directly contributing to operational efficiency, performance and longevity of vehicles.

3. Stringent Quality & Testing Standards

Adoption of advanced technologies such as CNC machining, Coordinate Measuring Machines (CMMs), non-destructive testing and real-time quality checks ensures consistent quality and minimizes deviations. These practices reduce recall risks, improve scalability and strengthen OEM confidence in Indian suppliers.

4. Digital Design & Rapid Prototyping

Use of CAD-based design, digital simulation and virtual prototyping accelerates innovation cycles. Engineers can validate performance and optimize designs before production, ensuring faster development of next-generation powertrain systems.

5. Support for Regulatory Compliance & Safety

Precision-engineered sensors and electronic interfaces enable advanced engine management, emissions compliance and safety features, aligning with increasingly strict global automotive standards.

6. Rising EV & Hybrid Powertrain Applications

While traditional ICE manufacturing continues to dominate, precision engineering is also finding new opportunities in electric and hybrid vehicles. Components such as electric drivetrains, modular chassis and high-tolerance transmission systems require the same accuracy and consistency, creating fresh demand for precision parts in emerging mobility solutions.

Entry Barriers in the Precision Engineering Parts Industryr

Extreme Tolerance and Repeatability Requirements: Automotive components particularly those in engines and transmissions must adhere to extraordinarily rigid dimensional tolerances. Achieving consistent accuracy across production batches demands advanced manufacturing methods and rigorous process control mechanisms.

Critical Infrastructure Investment: Manufacturers must invest heavily in specialized equipment—such as high-precision CNC machining tools, coordinate measuring machines (CMMs), automated robotics and digital inspection systems to meet the exacting standards required for performance-critical components. These substantial capital expenditures deter new entrants.

Compliance with Automotive Quality Frameworks: Suppliers must adhere to stringent automotive quality standards, including IATF 16949 and Advanced Product Quality Planning (APQP), to ensure product safety, traceability and reliability. Compliance involves extensive documentation, audits and validation processes before components are approved for use.

Complex Supply Chain Dynamics: The automotive industry operates within a highly structured, tiered supplier ecosystem characterized by long-term contracts and integrated development cycles. New entrants must integrate into this established network while proving quality and reliability no small feat in a tightly regulated and reputation-driven industry.

Advanced Design Coordination & Manufacturing Synergy: Automotive engineering requires close alignment between design and manufacturability (DFM). Precision parts must fit seamlessly into complex systems and any deviation can affect performance, compliance and reliability. This necessitates iterative prototyping, simulation and validation capabilities demanding sophisticated technological infrastructure.

Supply Chain Vulnerabilities & Risk Management Challenges: Maintaining precision through manufacturing, logistics and assembly is critical especially given how even minor deviations during shipping or handling can compromise component integrity and warranty coverage. Managing this end-to-end precision demands tight control mechanisms throughout the value chain.

Forging Industry

Global Forging Market

Industry Overview

Forging is a vital manufacturing process that involves shaping metal using compressive forces, typically delivered through hammers or presses. As a foundational element of industrial production, forging plays a crucial role in supporting key sectors that drive economic development, including Automobiles, Industrial Machinery, Power, Construction and Mining Equipment, Railways and General Engineering. Globally acknowledged as a core pillar of manufacturing, the forging industry delivers high-strength, high-performance components essential for both domestic consumption and international trade. India has established itself as the second-largest forging producer in the world, demonstrating remarkable resilience, technical capability and competitiveness on the global stage. The country's forging sector significantly contributes to economic progress through innovation, exports and employment generation.

With an installed capacity of approximately 3.85 million metric tonnes (38.5 lakh MT), the Indian forging industry is well-equipped to process a wide array of raw materials—including carbon steel, alloy steel, stainless steel, superalloys, titanium and aluminium—catering to diverse application needs. Over time, the industry has evolved from a labour-intensive operation into a capital-intensive ecosystem, reflecting significant modernization and automation. To support this transformation, the sector has seen cumulative investments of around INR 27,833 crore in advanced plant and machinery.

Forging Process

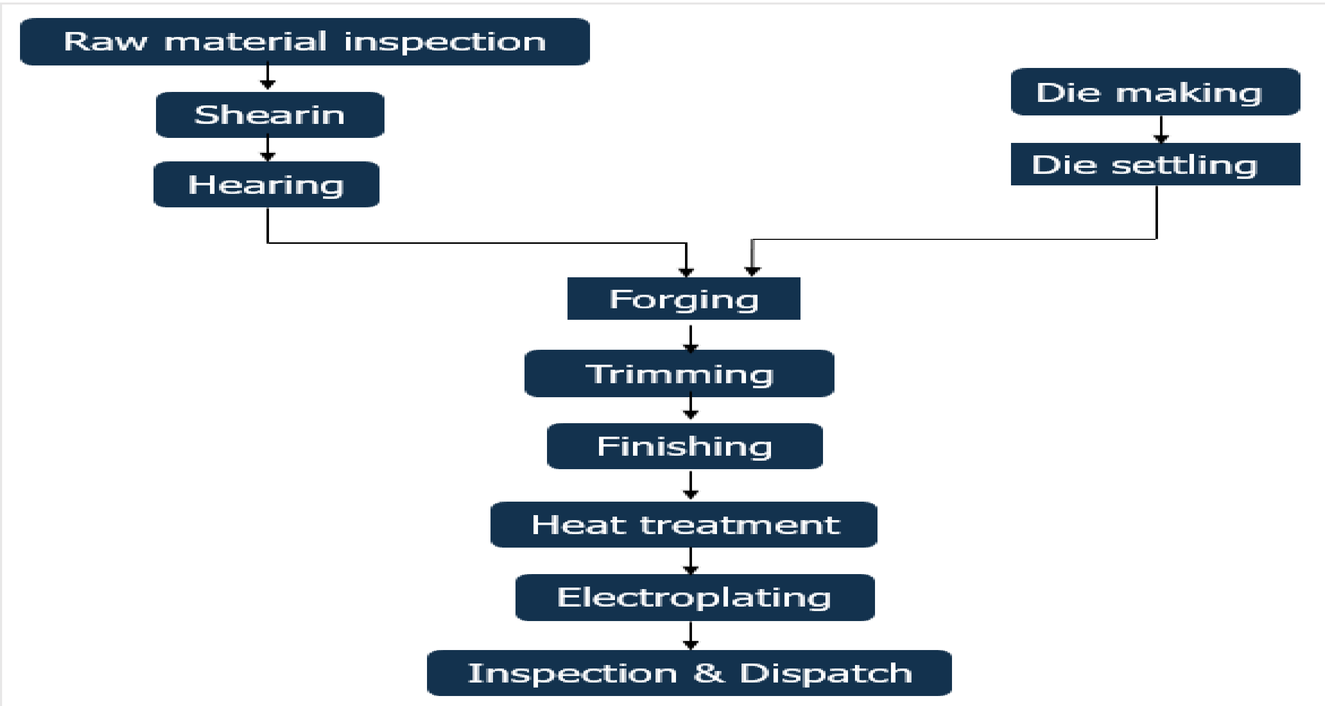
The forging process involves the application of compressive forces to shape metal into desired forms while refining its internal grain structure. This results in components with superior mechanical properties, such as high strength, toughness and fatigue resistance.

The main types of forging processes include:

- **Open-Die Forging**: The metal is placed between flat or simple-shaped dies and deformed by repeated blows. Ideal for large, simple components and short-run production.
- **Closed-Die (Impression-Die) Forging**: The metal is pressed between two dies that contain a pre-cut profile of the desired shape. This method enables high precision and is widely used in mass production.
- **Cold Forging**: Conducted at or near room temperature, this process provides excellent surface finish and dimensional accuracy, commonly used for small parts.
- **Seamless Rolled Ring Forging**: A specialised process used to produce ring-shaped components, where a pierced metal billet is expanded into a ring and then compressed to the desired dimensions.

In motorcycle and two-wheeler manufacturing, closed-die forging is the predominant process, owing to its ability to produce precise, high-strength and repeatable parts. However, the process involves several technical complexities that require careful control and specialised expertise.

Process Flowchart



Types of Forging Used in Two-Wheelers

1. Closed-Die Forging (Impression-Die Forging)

- Most common for components like crankshafts, connecting rods, gear blanks and wheel hubs.
- This process consists of taking heated metal and placing it between specially shaped dies, then applying high pressure to shape it into the required form.
- Enables high dimensional accuracy and refined grain flow for superior strength.

2. Cold Forging

- Used for smaller parts like bolts, shafts and pins that require excellent surface finish and tighter tolerances.
- Carried out at room temperature; offers better material utilization and minimal machining.

Complexities in Forging Process

1. Die Design and Maintenance

- Closed-die forging requires precision dies that must withstand repeated high-pressure cycles.
- Dies are expensive and time-consuming to produce.
- Any design flaw or thermal fatigue in the die can lead to defects, downtime and high replacement costs.

2. Material Selection and Preparation

- Different alloys respond differently to forging stress.
- Uniform heating is critical; uneven temperature can cause cracks, warping, or incomplete filling of the die.
- Scaling and decarburization at high temperatures must be controlled to preserve surface integrity.

3. Temperature and Deformation Control

- Forging typically occurs between 1,100°C–1,250°C for steel components.e
- Overheating can lead to grain coarsening, while underheating may cause insufficient formability or die wear.
- Achieving the correct deformation rate is crucial to ensure optimal grain flow and avoid internal defects like laps or voids.

4. Flash Formation and Trimming

- Excess material (flash) formed during closed-die forging must be trimmed off.
- Flash control is critical; improper trimming can affect part geometry and increase post-forging machining requirements.

5. Lubrication and Die Cooling

- Proper lubrication reduces friction and dies wear, but excess can cause slippage or fire hazards.
- Die cooling between cycles is needed to maintain thermal balance and dimensional stability.

6. Post-Forging Operations

- Many forged parts require heat treatment, machining and surface finishing.
- Inadequate handling during these processes can nullify the mechanical advantages gained from forging.

7. Operational Complexities

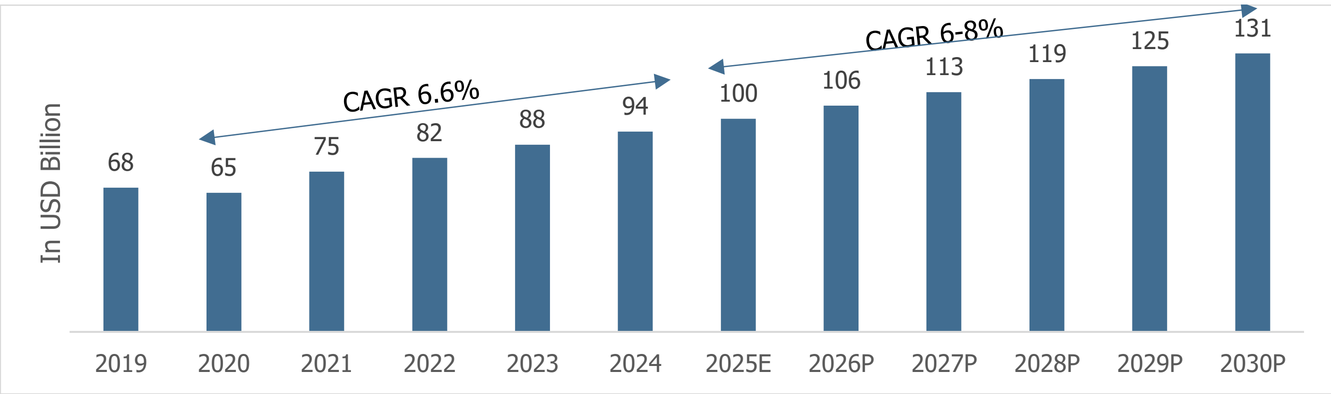
- The forging process involves inherent operational complexities and occupational hazards, including exposure to extreme heat, heavy machinery, noise, and high-impact operations, which elevate risks related to worker safety, equipment failure, and production disruptions, necessitating stringent safety protocols and maintenance practices.

Global Forging Industry Market Size

Global Market Size

The global forging industry was valued at USD 68 billion in 2019 and is estimated to have reached USD 100 billion by 2025, growing at a CAGR of 6.6% during this period. The growth has been driven by a recovery in automotive production, increased investments in infrastructure and rising demand from sectors like aerospace, energy and defence. Going further, the market is projected to expand further to USD 131 billion by 2030, reflecting a CAGR of 6-8% over 2025–2030. This continued growth is expected to be fuelled by the shift toward electric vehicles, global defence modernization programs and increased localisation of industrial component manufacturing.

Chart 25: Global Forging Industry Market Size



Source: Imarc Group, CareEdge Research; P: Projected; Years refer to Calendar Year, E: Estimated, P: Projected

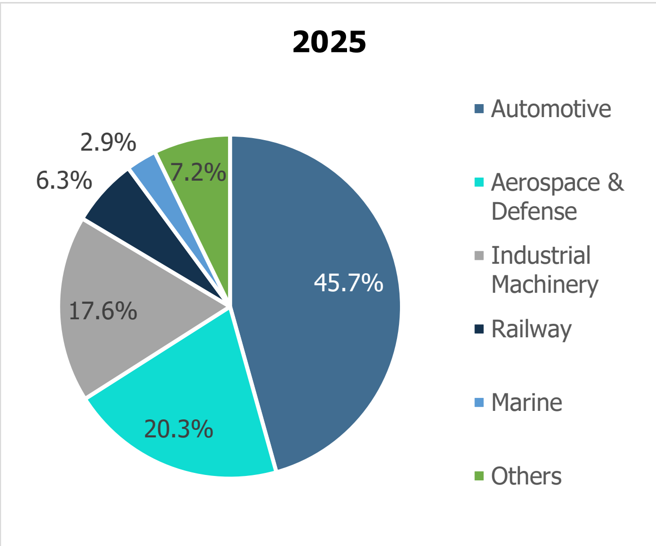
Global Forging Market by End-User

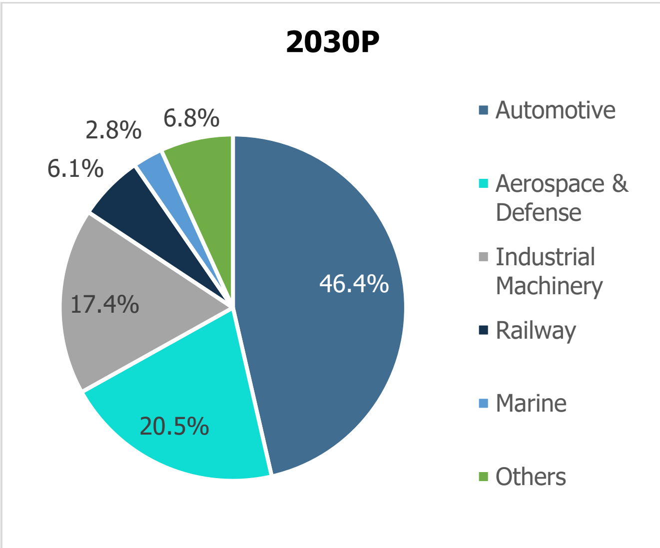
In 2025, the automotive sector leads global forging demand with a 45.7% share, significantly outpacing other segments such as aerospace & defense (20.3%) and industrial machinery (17.6%). This dominance highlights the automotive sector's faster growth pace compared to other segments, driven by its high-volume requirements and the essential role of forged components in engines, transmissions and structural parts.

By 2030, the automotive sector's share is projected to rise modestly to 46.4%, highlighting its continued growth momentum. This increase reflects sustained demand from internal combustion vehicles and an expanding need for forged components in electric vehicles, including lightweight and high-precision parts. In contrast, aerospace & defense is expected to maintain a steady share of 20.5%, supported by growing aircraft production and higher defense spending, though at a slower pace relative to automotive.

The industrial machinery segment, contributing 17.6% in 2024, is projected to see a slight decline to 17.4% by 2030, reflecting a relatively slower growth trajectory. Other segments, including marine, railway and smaller contributors, are anticipated to remain stable, further emphasizing the automotive sector's role as the primary growth driver in the global forging industry.

Chart 26: Global Forging Industry Market Size by End-User (2025)



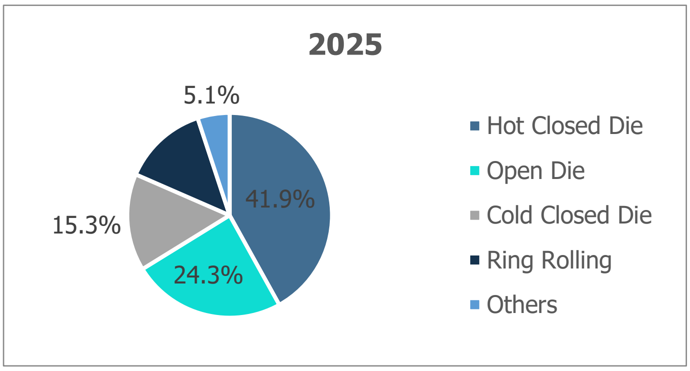


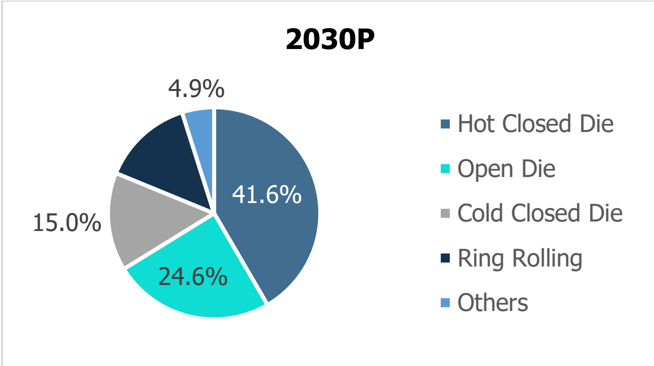
Source: Imarc Group, CareEdge Research

Global Forging Market by Type

In 2025, Hot Closed Die Forging accounts for the largest share at 41.9%, primarily due to its wide applicability in automotive and industrial components requiring high strength and precision. Open Die Forging follows at 24.3%, especially used in large and heavy-duty components. Cold Closed Die Forging and Ring Rolling contribute 15.3% and 13.4%, respectively. By 2030, the forging process mix remains largely consistent. Hot Closed Die holds a 41.6% share, while Open Die Forging increases marginally to 24.6%, supported by its role in aerospace, oil & gas and renewable energy. Cold Closed Die (15.0%) and Ring Rolling (13.9%) maintain stable shares, indicating sustained relevance in specialised forging applications.

Chart 27: Global Forging Industry Market Size by Type (2025)





Source: Imarc Group, CareEdge Research

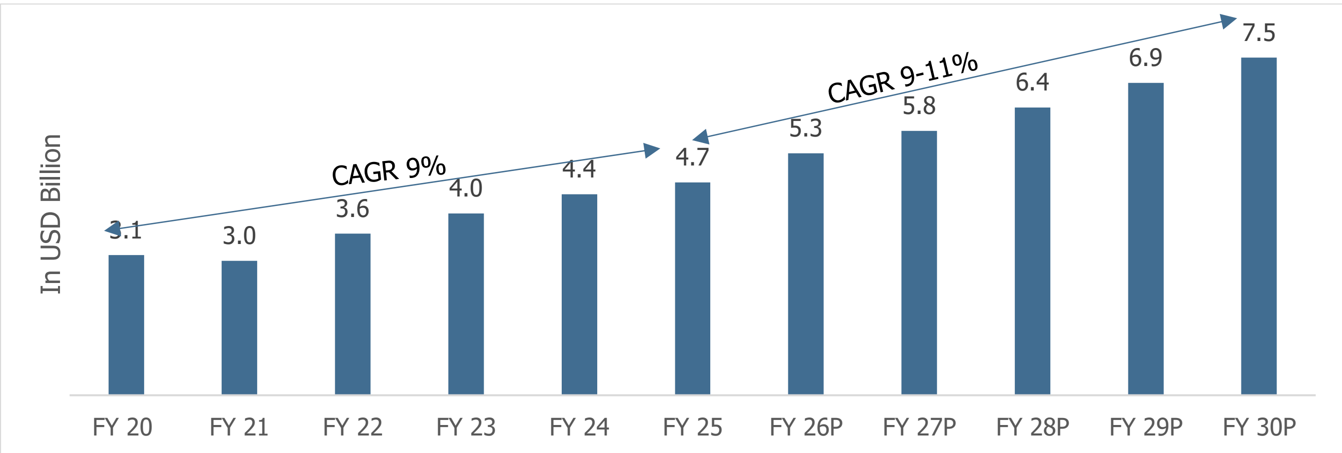
Indian Forging Market

Industry Overview & Market Size

The domestic forging industry in India has exhibited consistent growth, expanding from USD 3.1 billion in FY20 to an estimated USD 4.7 billion in FY25. This trajectory is expected to continue, reaching USD 7.5 billion by FY30, underpinned by increased manufacturing activity, infrastructure development and a rebound in automobile production volumes.

The growth has also been supported by government initiatives such as "Make in India" and the PLI scheme, which encourage localisation of critical components. Moreover, rising investments in sectors like defence, railway modernization and capital goods have created additional demand for forged parts across varied industrial applications.

Chart 28: Domestic Forging Industry Market Size



Source: Imarc Group, CareEdge Research; P: Projected

Domestic Forging Market by End-User

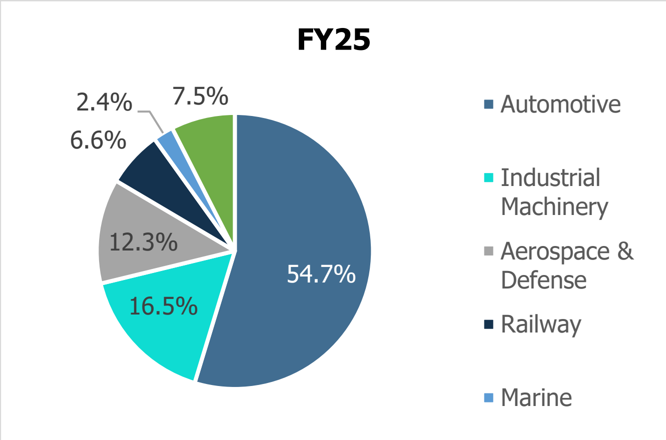
In FY25, the automotive sector remains the dominant consumer, accounting for 54.7% of the forging demand. This dominance reflects the sector's significant growth momentum, fueled by the high-volume requirement for forged parts such as crankshafts, connecting rods and transmission components in both commercial and passenger vehicles. The faster growth pace of the automotive sector compared to other segments underscores its role as the primary driver of forging demand.

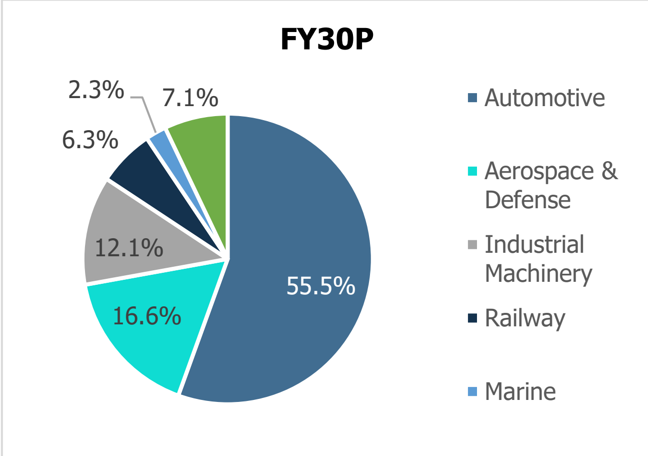
The industrial machinery segment contributes 16.5% and aerospace & defense accounts for 12.3%, both benefiting from higher capital expenditure and increased indigenization efforts. However, their relatively stable shares indicate slower growth compared to the automotive sector, which continues to expand its share in the forging market.

Railways (6.6%) and marine (2.4%) collectively form a smaller base but are growing steadily, supported by infrastructure projects and naval modernization. Despite this, their growth remains overshadowed by the robust pace of the automotive sector.

By FY30, the automotive sector's share is projected to rise modestly to 55.5%, indicating a sustained and faster growth trajectory. This increase is driven by continued demand for traditional vehicles and the growing adoption of electric vehicles, which require lightweight and high-precision forged components. In contrast, the shares of industrial machinery and aerospace & defense are expected to remain stable, reflecting a slower pace of expansion relative to the automotive segment. This dynamic solidifies the automotive sector's position as the primary growth engine of the forging industry.

Chart 29: Domestic Forging Industry Market Size by End-User





Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected

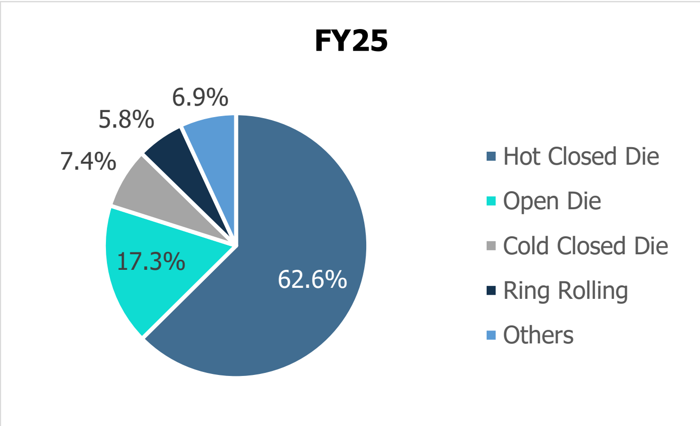
Domestic Forging Market by Type

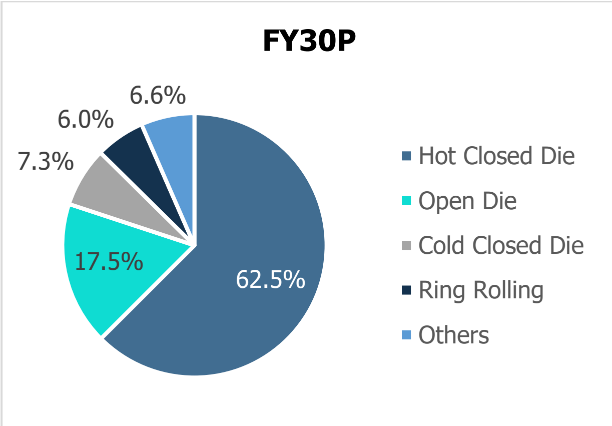
Hot Closed Die Forging dominates the domestic landscape, constituting 62.6% of the market in 2025. Its prevalence is due to its applicability in producing high-strength and high-volume components, particularly in the automotive sector.

Open Die Forging holds 17.3%, catering to large, low-volume components needed in capital goods and heavy engineering. Cold Closed Die Forging (7.4%) is used for precision components requiring close tolerances, while Ring Rolling and other processes collectively account for around 12%.

By 2030, the process mix remains broadly unchanged, with Hot Closed Die Forging holding 62.5% and Open Die Forging increasing slightly to 17.5%. This indicates process maturity and sustains reliance on established forging methods. Incremental shifts reflect diversification in demand from sectors like construction equipment, energy and marine.

Chart 30: Domestic Forging Industry Market Size by Type





Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected

Key trends and growth drivers

Rising Automotive Production: The forging industry in India is heavily driven by the growing demand in the automotive sector. With increased vehicle production across two-wheelers, passenger cars and commercial vehicles, the demand for forged components such as crankshafts, connecting rods and gears has surged. The rise in electric vehicles (EVs) is also creating new opportunities for lightweight and precision-forged parts.

Infrastructure Development: Large-scale infrastructure projects and urbanization have increased the demand for construction and heavy machinery, which in turn requires forged components. Government initiatives like "Make in India" and high infrastructure budgets have further stimulated demand for forging products.

Export Potential: Indian forging manufacturers are gaining recognition globally for their cost-effective and high-quality production. The export of forged components to Europe, North America and Asia is growing, fueled by competitive pricing, adherence to global quality standards and robust supply chains.

Advancements in Technology: Adoption of advanced forging techniques, automation and simulation technologies has enhanced productivity, reduced costs and improved the precision of forged components. This has increased the competitiveness of Indian manufacturers in the global market.

Diverse Industrial Applications: Beyond automotive, forging components are widely used in industries like aerospace, defense, oil & gas and agriculture. Growth in these sectors provides a steady stream of demand for forged products.

Government Policies and Incentives: Supportive government policies, such as reduced corporate tax rates for manufacturing, PLI (Production Linked Incentive) schemes and focus on Atmanirbhar Bharat (self-reliant India), have incentivized investments and capacity expansion in the forging sector. In addition to OEM demand, the aftermarket for replacement parts in automobiles and industrial machinery drives consistent growth for forged components.

Automotive Forging Industry

Global Automotive Forging Market

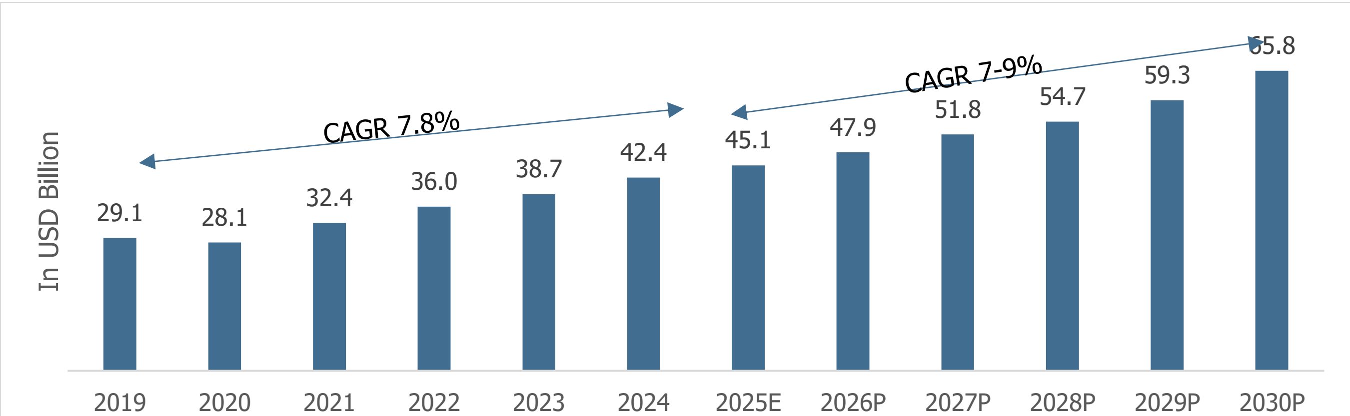
Industry Overview

The global automotive forging industry plays a vital role in vehicle manufacturing, supplying critical components such as crankshafts, connecting rods, gears, axles and steering parts that demand superior strength, durability and precision. Driven by rising automobile production, advancements in forging technologies and the increasing demand for lightweight yet high-strength materials, the industry is witnessing steady growth. While traditional internal combustion engine (ICE) vehicles continue to dominate forging demand globally, the transition toward electric vehicles (EVs) is reshaping product requirements, with greater emphasis on lightweight aluminum and precision-forged components.

Global Automotive Forging Market Size

The global automotive forging market stood at USD 45.1 billion in 2025 and is expected to reach USD 65.8 billion by 2030, growing at a CAGR of 7-9%. Growth is supported by rising vehicle production, stringent safety norms and the increasing need for durable and lightweight forged components such as crankshafts, gears and connecting rods. The industry is also witnessing technology adoption in precision forging and advanced alloys, catering to both ICE and EV platforms. Asia-Pacific continues to dominate due to large-scale automobile production in China and India, while North America and Europe focus on high-performance forged components.

Chart 31: Global Automotive Forging Market Size



Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected; Years refer to Calendar Year (CY)

Domestic Market

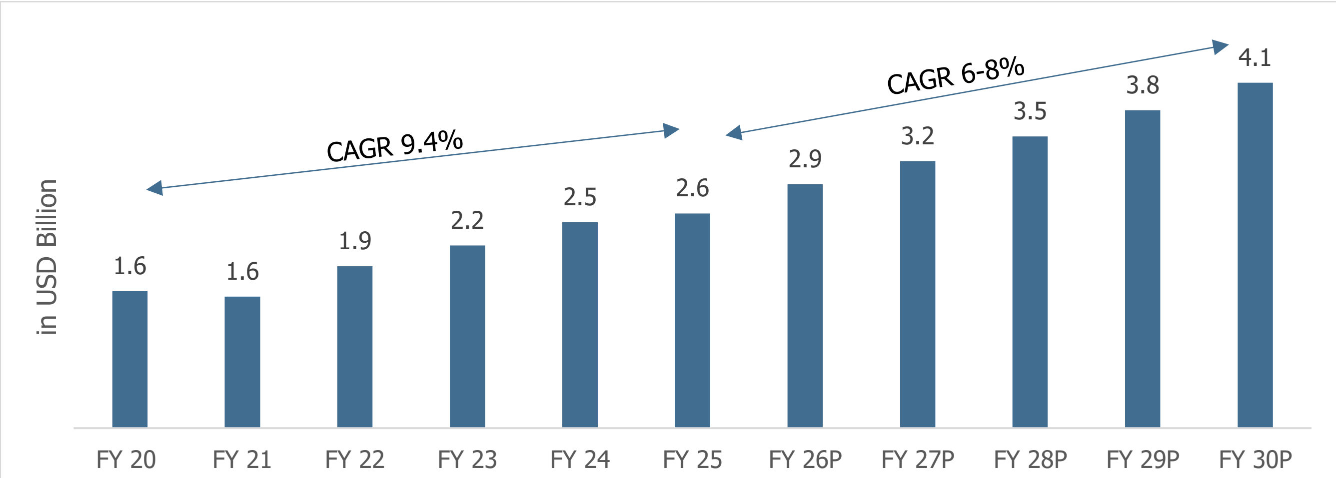
Industry Overview

In India, the automotive forging industry is closely tied to the country's large two-wheeler, passenger vehicle and commercial vehicle markets. India is among the world's largest forging hubs, supported by cost competitiveness, a strong base of forging clusters (notably in Maharashtra, Tamil Nadu and Punjab) and established linkages with both domestic OEMs and global supply chains. The sector is increasingly focusing on value-added forgings, advanced machining and exports, while also preparing for evolving opportunities in EV drivetrains, hybrid powertrains and lightweight alloy applications.

Domestic Automotive Forging Market Size

The Indian automotive forging market was valued at USD 2.6 billion in FY25 and is projected to reach USD 4.1 billion by FY30, at a CAGR of 6-8%. Domestic demand is being fueled by recovery in passenger and commercial vehicle sales, coupled with India's positioning as a global hub for auto component exports. Forging companies are increasingly investing in automation, precision tooling and capacity expansion to serve OEMs, Tier-1 suppliers and global clients. Additionally, government incentives under the PLI scheme and the shift toward lightweighting and hybrid/EV components are expected to create new avenues for growth, while ICE-related demand continues to sustain the bulk of volumes.

Chart 32: Domestic Automotive Forging Market Size



Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected

Key growth drivers for Automotive Forging Industry

Rising Vehicle Production: India's forging demand is closely tied to automobile production, as forgings are critical in engines, transmissions and drivetrains. The rebound in passenger vehicle and commercial vehicle sales, coupled with steady tractor demand, is pushing higher volumes of forged components like crankshafts, axles and gears. This recovery is being supported by improved consumer sentiment, infrastructure expansion and replacement cycles, creating a strong domestic growth base.

Export Competitiveness: India has established itself as a global hub for cost-competitive and high-quality forgings, with exports supplying leading OEMs in Europe, North America and Asia. Favorable manufacturing costs, engineering expertise and the ability to deliver precision components at scale are strengthening India's global share. Additionally, global supply chain diversification away from China is creating fresh opportunities for Indian forging manufacturers.

Policy and Government Support: Government initiatives such as the PLI Scheme for Auto & Auto Components, incentives for EV/hybrid manufacturing and production-linked support for critical auto parts are driving fresh investments in capacity and technology. Policies encouraging local sourcing and indigenization also provide a boost to domestic forging players. These measures not only expand domestic supply but also enhance competitiveness for global exports.

Technology and Process Advancements: Indian forging companies are increasingly investing in CNC machining, automated presses, advanced dies and precision heat treatment. These technological upgrades improve consistency, reduce wastage and enhance product performance helping Indian suppliers meet the stringent quality standards demanded by global OEMs. Integration of CAD/CAM design and digital simulations is also shortening development cycles for new components.

Lightweighting and Emission Compliance: With growing emphasis on fuel efficiency and stricter emission norms, automakers are demanding lightweight yet durable components. Forging plays a crucial role here, as it enables the use of advanced steels and alloys to achieve strength with reduced weight. This structural shift ensures long-term demand for precision forgings, both in ICE vehicles and in hybrid/EV applications.

Key challenges in the Automotive Forging Industry

High Capital Intensity: Forging is a capital-heavy industry, requiring significant investment in forging presses, CNC machines, dies and heat-treatment facilities. The high upfront costs make it difficult for smaller players to enter or scale, while existing companies face pressure to continuously modernize equipment to stay competitive.

Raw Material Price Volatility: Steel and alloy prices account for a major share of forging costs. Frequent fluctuations in global steel prices directly impact margins, as passing on the increased costs to OEMs is often difficult due to long-term contracts and competitive pricing pressures.

Dependence on OEM Relationships: The industry is highly dependent on long-term contracts with automobile OEMs and Tier-1 suppliers. Forging suppliers face high entry barriers as OEMs prefer established partners with proven quality and delivery records. Losing a key customer can significantly impact business, limiting flexibility for suppliers.

Quality and Certification Demands: Global OEMs enforce strict quality certifications and audits (such as ISO/TS standards). Any deviation in quality, delivery delays, or failure in audit compliance can result in loss of orders. Achieving and maintaining these standards requires continuous investments in testing, precision machining and process controls.

Risk from EV Transition: While forging demand in ICE vehicles is stable, the gradual transition toward electric vehicles poses a medium-to-long-term risk. EVs require fewer engine-related forged components like crankshafts and connecting rods, potentially reducing demand. Forging players must adapt by diversifying into chassis, drivetrain and EV-specific components to offset this risk.

Machining Industry

Overall Global Machining Industry

Industry Overview

The machining segment forms a vital backbone of India's auto components industry, acting as the bridge between raw cast/forged components and finished, ready-to-assemble parts. It supports critical functions such as dimensional accuracy, surface finish and material integrity—parameters essential for OEM compliance and global export standards. With auto OEMs increasingly outsourcing precision requirements to specialised vendors, machining has evolved from a support activity to a high-value manufacturing segment.

Machining demand has historically been driven by ICE platforms (engines, gearboxes, axles), but structural shifts toward electric vehicles and lightweighting are reshaping component architecture. This has led to rising demand for high-speed machining of aluminium and alloy-based casings, motor housing and powertrain subassemblies. As a result, capital investments in 5-axis CNC, robotics, tool monitoring systems and CMM-based quality control are rising, especially among export-focused players.

Complexities Involved

Machining in auto components manufacturing is high in complexity due to:

Tight Tolerances & Repeatability: Automotive parts require micron-level precision (e.g., engine blocks, transmission cases). Variability leads to rejection and high rework costs.

Tool Wear & Process Optimization: Cutting tools degrade over time; tool life prediction, cooling management and vibration damping are critical to ensure quality.

Material Variability: Machining cast iron vs. forged steel or aluminium requires completely different tooling strategies and speeds, increasing shop floor complexity.

Automation & Digitization: Integration of Industry 4.0 elements like real-time tool monitoring, MES (Manufacturing Execution Systems) and automated loading/unloading requires capital investment and skilled manpower.

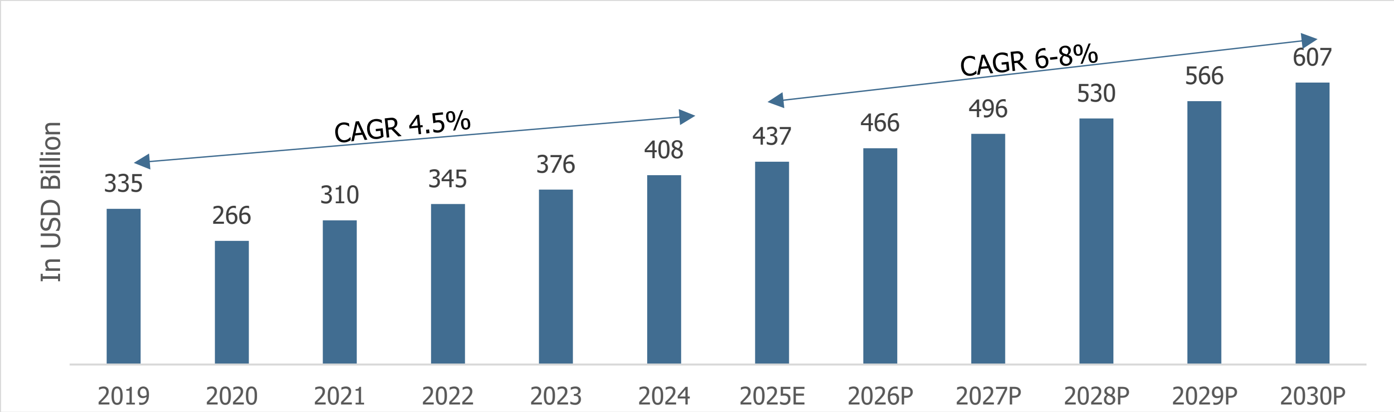
Volume-Driven Cost Pressures: Machining is capital intensive and high-volume production is needed to achieve breakeven. Any demand fluctuation significantly impacts unit economics.

Energy & Coolant Management: Machining generates heat and requires coolant recirculation systems, which add environmental and cost complexities.

Global Machining Industry Market Size

The global machining market was valued at approximately USD 335 billion in 2019, with a dip to USD 266 billion in 2020 due to the pandemic-led disruptions across the manufacturing sector. Since then, the market has shown a gradual recovery, reaching USD 437 billion by 2025, registering a modest CAGR of 4.5% between 2019 and 2025. However, the industry is expected to witness an accelerated growth trajectory going forward, projected to expand at a CAGR of 6–8% between 2025 and 2030. This anticipated uptick is supported by strong momentum in the automotive, aerospace, industrial machinery and energy sectors, coupled with increasing adoption of high-precision and automated machining technologies across developed and emerging economies.

Chart 33: Global Machining Industry Market Size



Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected; Years refer to Calendar Year (CY)

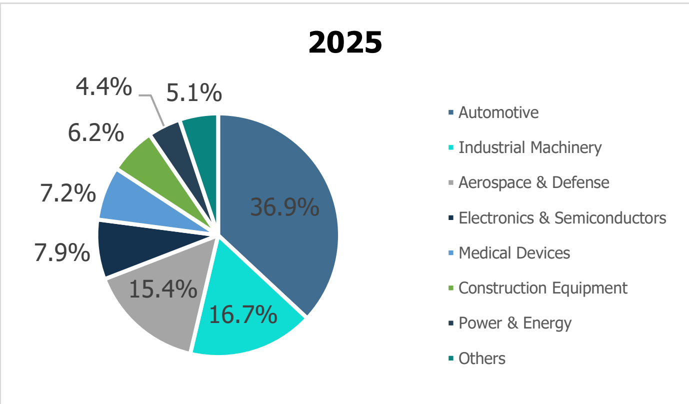
Global Market Size by End-User Industry

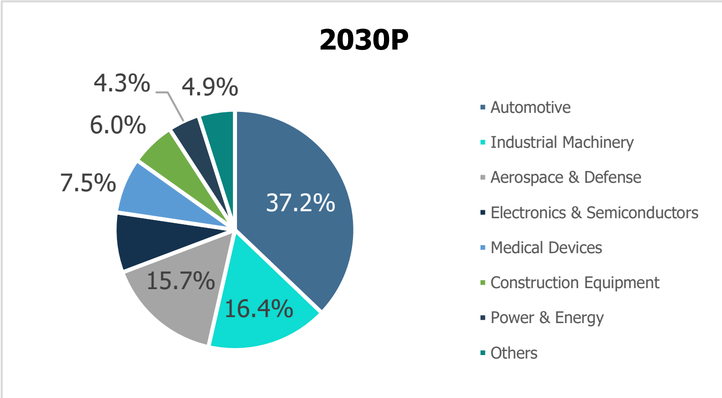
The global machining industry remains heavily tilted towards the automotive sector, which is projected to grow from 36.9% in 2025 to 37.2% by 2030. This increase highlights the automotive segment's faster pace of growth compared to other sectors, driven by a consistent demand for machined components in both ICE and electric vehicle platforms. The surge in high-precision parts for EV drivetrains and lightweight assemblies further accelerates this growth, highlighting the sector's dynamic contribution to the overall market.

In comparison, the industrial machinery segment, which represents 16.7% of the market in 2025, is expected to experience a slight decline to 16.4% by 2030. Despite its slower growth relative to the automotive sector, it continues to benefit from manufacturing automation and capital equipment investments in emerging markets.

Other segments, such as medical devices, energy equipment and construction machinery, show marginal changes in their market share but continue to contribute to a diverse demand base. Collectively, these trends emphasize the automotive sector's role as the primary growth engine, outpacing other segments and cementing its leadership in the machining industry.

Chart 34: Global Automotive Machining Industry by End-user Industry





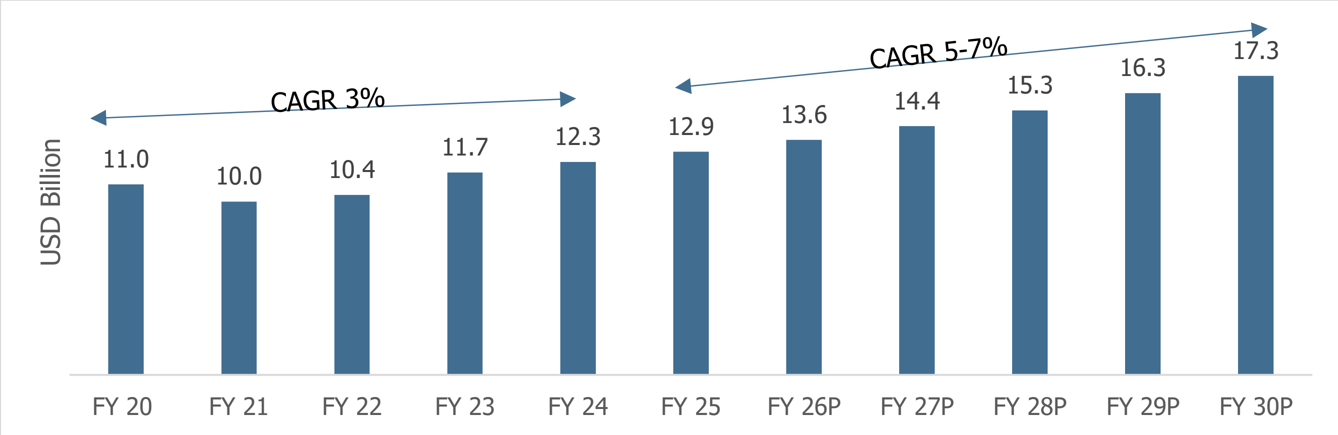
Source: Imarc Group, CareEdge Research; P: Projected

Overall Indian Machining Industry

Industry Overview & Domestic Market Size

India's domestic machining industry has shown modest recovery since the pandemic-induced slowdown, with market size growing from USD 11.0 billion in FY20 to USD 12.9 billion in FY25, clocking a CAGR of around 3.2%. The industry is poised for stronger growth over the next five years, projected to reach USD 17.3 billion by FY30, at an expected CAGR of 5–7%. This momentum is largely driven by the rising localisation of component manufacturing, government-led Make-in-India initiatives, increased private sector CAPEX in engineering goods and the broader adoption of digital machining solutions. Moreover, the push toward smart manufacturing and automation is likely to elevate demand for precision and CNC machining capabilities across sectors like capital goods, aerospace and defence.

Chart 35: Domestic Machining Industry Market Size

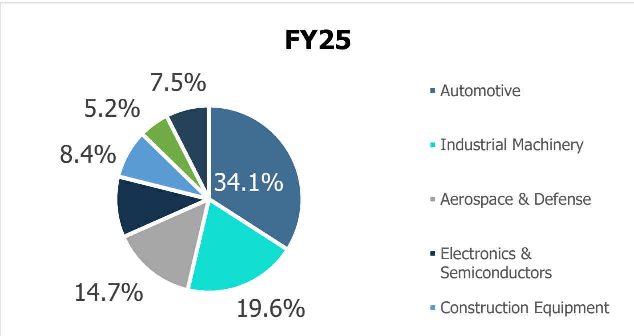


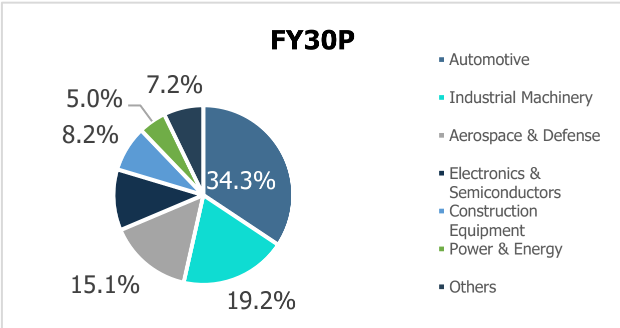
Source: Imarc Group, CareEdge Research; P: Projected

Domestic Market Size by End-User Industry

The domestic machining industry continues to be led by the automotive sector, which is projected to increase its share from 34.1% in FY25 to 34.3% by FY30. This marginal growth highlights the sector's faster expansion compared to other segments, driven by localisation efforts and the growing demand for precision components in electric vehicles. The automotive sector's ability to outpace others underscores its critical role in shaping the machining industry's future trajectory.

Chart 36: Domestic Machining Industry by End-user Industry



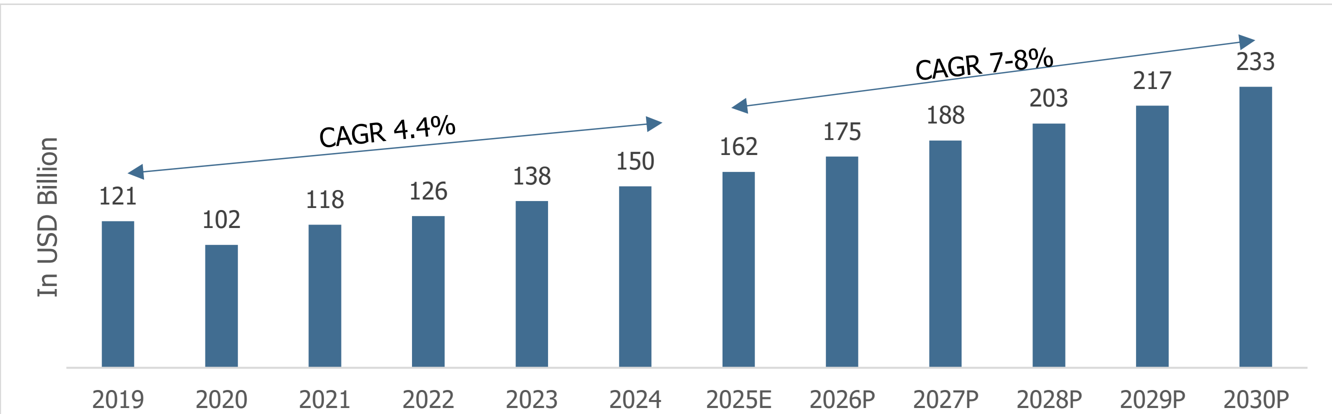


Source: Imarc Group, CareEdge Research; E: Estimated; P: Projected

Automotive Machining Industry

Global Automotive Machining Market

Chart 37: Global Automotive Machining Industry Market Size



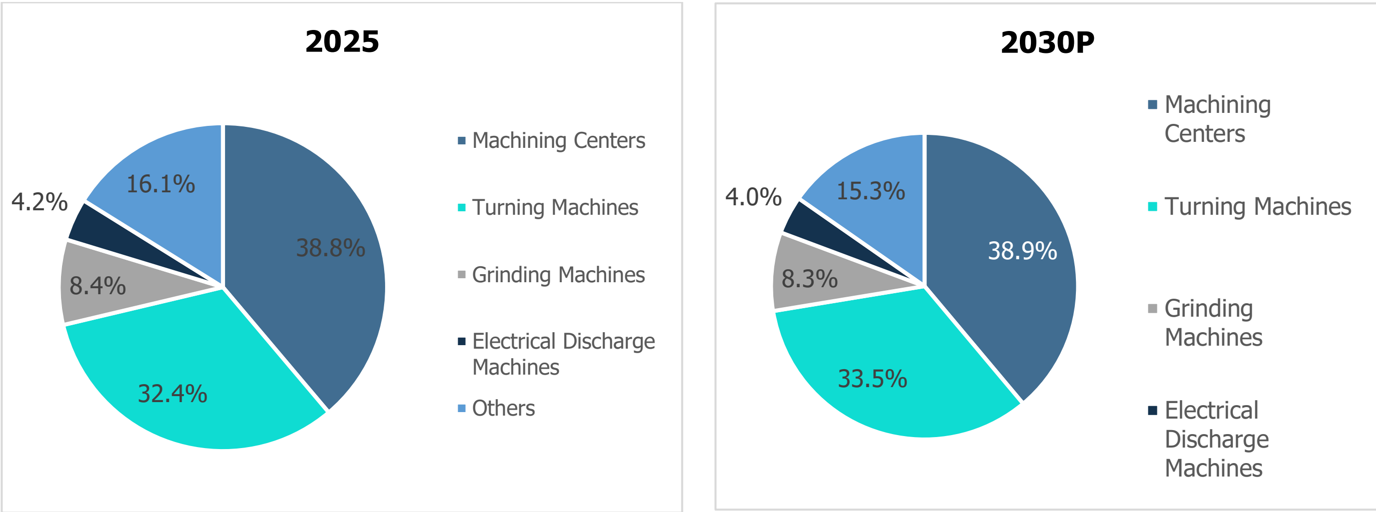
Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected; Years refer to Calendar Year (CY)

Global Market Size by Type

The global automotive machining market is primarily driven by machining centres, holding a dominant share of 38.8% in 2025, with a slight uptick to 38.9% by 2030. This reflects sustained demand for high-precision, multi-functional systems used in complex automotive parts like engine blocks and EV components.

Turning machines follow closely, growing from 32.2% to 33.5%, supported by rising production of cylindrical components such as shafts and axles.

Chart 38: Global Automotive Machining Industry by Type

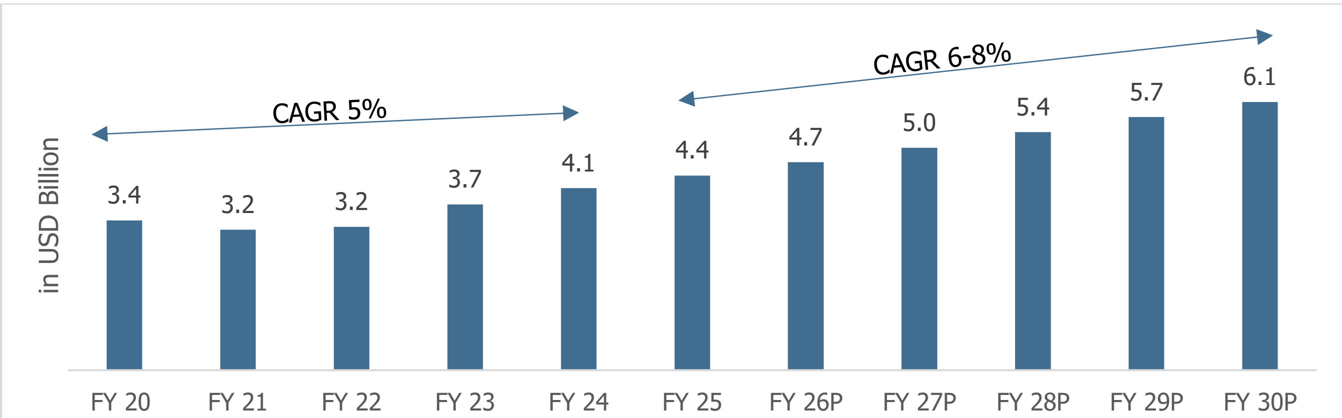


Source: Imarc Group, CareEdge Research; P: Projected

Domestic Market

The automotive machining segment in India, a major sub-segment of the broader machining space, has grown from USD 3.4 billion in FY20 to USD 4.4 billion in FY25, at a CAGR of approximately 5.29%. With growing vehicle production, increased localisation of powertrain and drivetrain components and strong growth in EV and hybrid platforms, the market is expected to expand at a faster clip projected to reach USD 6.1 billion by FY30, at a CAGR of 6–8%. Demand is further supported by rising exports of precision-machined components and increased OEM outsourcing to tier-1 suppliers. Investments in high-efficiency machining centres, process automation and tighter tolerances are expected to remain key differentiators for growth in this space.

Chart 39: Domestic Automotive Machining Industry Market Size



Source: Imarc Group, CareEdge Research; P: Projected

Domestic Market Size for Automotive Machining Industry by Type

The domestic automotive machining industry is poised for steady evolution over FY25 to FY30P, with only marginal shifts in the type-wise composition.

Machining Centers, which hold the largest share in both FY25 (41.5%) and FY30P (41.8%), will continue to remain the cornerstone of automotive machining operations. Their dominance underscores the continued preference for multi-axis, high-precision capabilities essential for producing complex automotive components such as engine blocks, cylinder heads and transmission housings. The marginal uptick by FY30P signals a sustained push towards automation and integrated processing, especially as OEMs strive for greater efficiency and part consolidation.

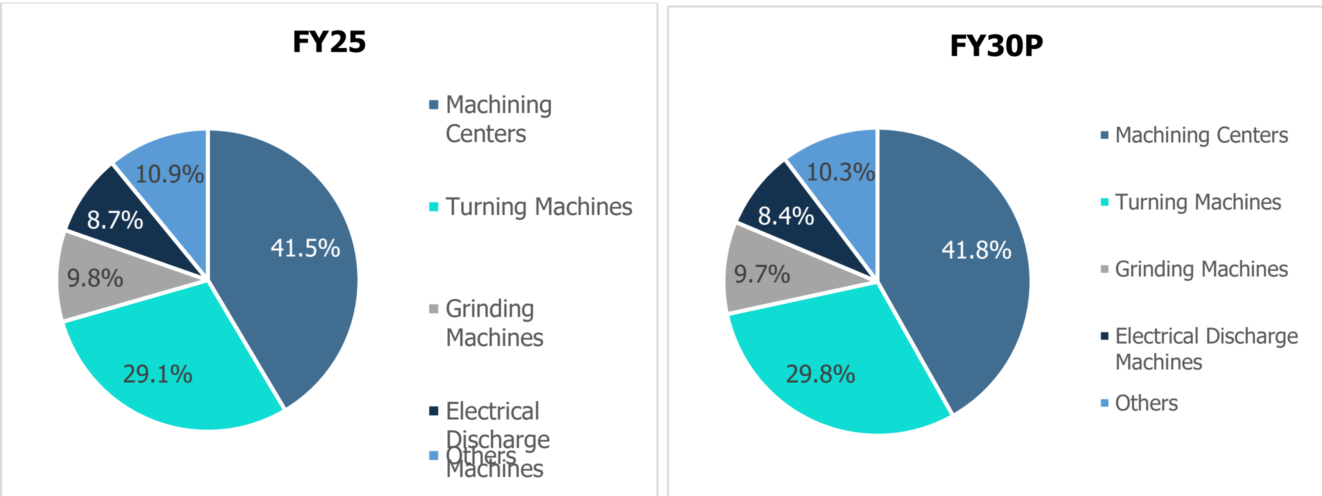
Turning Machines are expected to increase in share from 29.1% in FY25 to 29.8% in FY30P. This can be attributed to the rising demand for precision-turned components in electric and hybrid vehicle architectures, including shafts, axles and connectors. As drivetrain complexity evolves with EV penetration, so does the demand for high-speed, automated turning solutions.

Grinding Machines, although a smaller segment (9.8% in FY25 to 9.7% in FY30P), play a crucial role in achieving high surface finish and tight tolerances. This relatively stable market share might indicate that grinding is a specialised yet crucial finishing process, with limited potential for significant growth due to the rising use of advanced cutting tools and machining centres that minimise the need for post-processing.

Electrical Discharge Machines (EDMs) slightly declined from 8.7% to 8.4%. This reflects a subtle shift away from die-sinking operations in favour of subtractive methods with faster cycle times, or possibly the growing use of additive manufacturing for complex dies and moulds, reducing EDM dependence on certain applications.

Others, comprising 10.9% in FY25 and slightly decreasing to 10.3% by FY30P, indicate a mild rationalization of niche and less frequently used machining categories. This contraction may also suggest consolidation of processes as manufacturers shift towards integrated solutions and reduce reliance on fragmented setups.

Chart 40: Domestic Automotive Machining Industry by Type

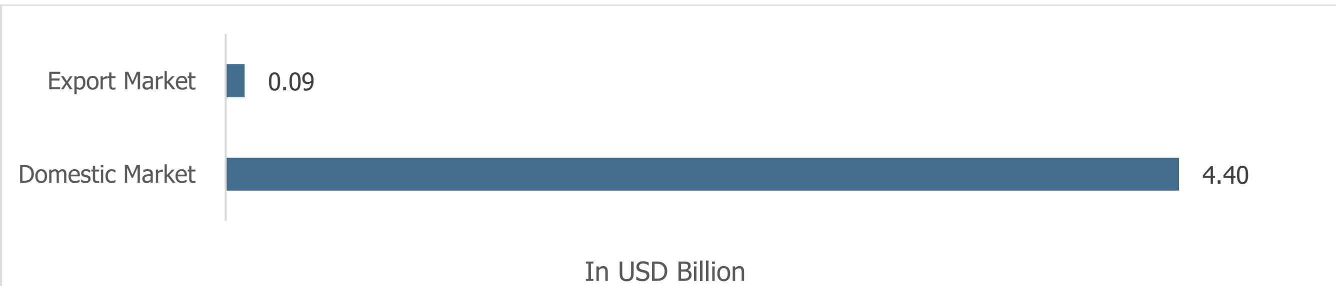


Source: Imarc Group, CareEdge Research; E: Estimated; P: Projected

Market Split of Domestic Automotive Machining Industry by Trade

The domestic automotive machining industry is expected to reach USD 4.4 billion by FY25, highlighting strong local demand driven by sustained vehicle production and localisation efforts. In contrast, exports remain minimal at USD 0.09 billion, indicating that the sector is largely inward-focused, catering primarily to domestic OEMs and tier-1 suppliers. The low export base also reflects limited global integration, though it offers potential for growth as Indian manufacturers improve capabilities and competitiveness.

Chart 41: Market Split of Domestic Automotive Machining Industry by Trade (FY25)



Source: Imarc Group, CareEdge Research; E: Estimated

Key Growth Drivers for Automotive Machining Industry

Growth Driver	Description
Automotive Sector Expansion	Rising production and exports of vehicles—especially two-wheelers, passenger vehicles and EVs—are directly increasing demand for machined components like engine blocks, crankshafts and brake systems.
Shift Toward Precision and Quality	OEMs are demanding high-precision, high-tolerance components, leading to greater investments in CNC machines, automation and metrology systems, expanding market value.
Electrification of Mobility	EVs, while simpler than ICE vehicles, still require high-precision machining for components such as battery housings, drivetrain parts and motor shafts.
Government Policies & PLI Schemes	Schemes like the Production Linked Incentive (PLI) for auto components and "Make in India" initiatives are supporting capacity expansion and technological upgradation.
Export Growth & Global Integration	India's emergence as an export hub for auto components, particularly to Europe and the U.S., is driving Tier-1 and Tier-2 suppliers to meet global quality standards.

Growth Driver	Description
Aftermarket and Replacement Demand	As the number of vehicles on the road grows, so does the need for replacement parts—fuelling consistent demand for machined components such as pistons, gears and shafts.
Integration of Industry 4.0	Adoption of IoT-enabled CNC machines, predictive maintenance and Manufacturing Execution Systems (MES) is boosting productivity and attracting investments from organised players.

Overall Crankshaft Market

Overall Global Crankshaft Industry

Industry Overview

The crankshaft market is a critical segment within the automotive and industrial machinery industries, driven by its essential role in internal combustion engines and mechanical systems. The market is experiencing steady growth due to the rising production of passenger and commercial vehicles, coupled with increasing demand for fuel-efficient engines. Electric vehicle (EV) adoption has introduced both challenges and opportunities, as traditional crankshaft designs are being replaced or adapted for hybrid and alternative propulsion systems.

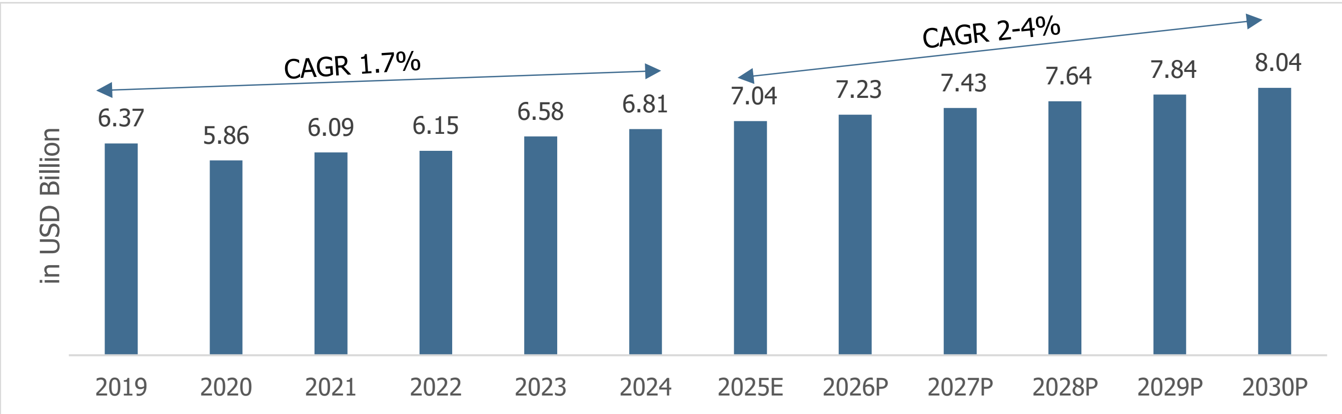
The industrial sector also contributes to demand through applications in heavy machinery, marine engines, and power generation equipment. Technological advancements in materials, such as forged steel and composite alternatives, are enhancing durability and performance, further driving market innovation. Emerging trends include a focus on lightweight crankshafts to improve efficiency and compliance with stricter emission norms globally.

While Asia-Pacific dominates due to its robust automotive manufacturing base, regions like North America and Europe are adopting advanced crankshaft technologies, reflecting broader industry shifts towards sustainability and efficiency.

Global Market Size

The global crankshaft industry has exhibited modest growth over the past few years, with market size increasing from USD 6.37 billion in 2019 to USD 47.04 billion in 2025, reflecting a compound annual growth rate (CAGR) of 1.7%. However, the market is poised for a stronger growth trajectory going forward, with projections indicating a CAGR of 2–4% from 2025 to 2030. By 2030, the industry is expected to reach USD 8.04 billion, driven by demand recovery in key sectors and continued investment in internal combustion engine (ICE)-based platforms, particularly in developing markets.

Chart 42: Global Crankshaft Industry Market Size

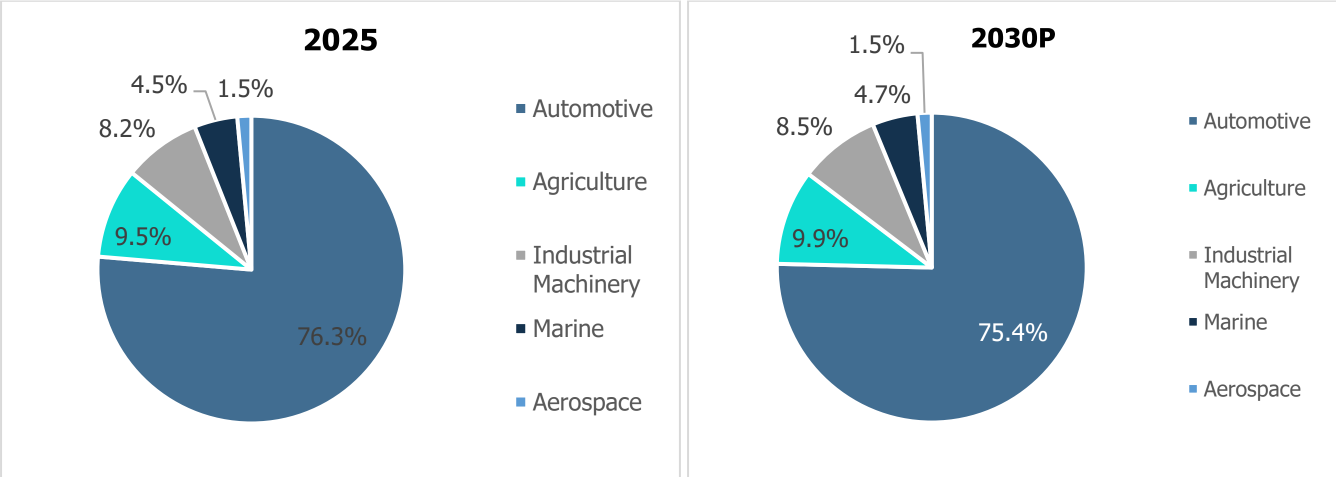


Source: Imarc Group, CareEdge Research; E: Estimated; P: Projected; Years refer to Calendar Year (CY)

Global Market Size by End-User Industry

The automotive sector continues to dominate as the primary end-user, accounting for 76.3% of total demand in 2025. Although its share is projected to decline slightly to 75.4% by 2030, the sector remains the cornerstone of market volumes, driven by sustained global demand for passenger and commercial vehicles. This slight decrease reflects the relatively slower pace of growth compared to emerging segments but does not undermine its critical role in the overall market.

Chart 43: Global Crankshaft Industry Market Size by End-User Industry



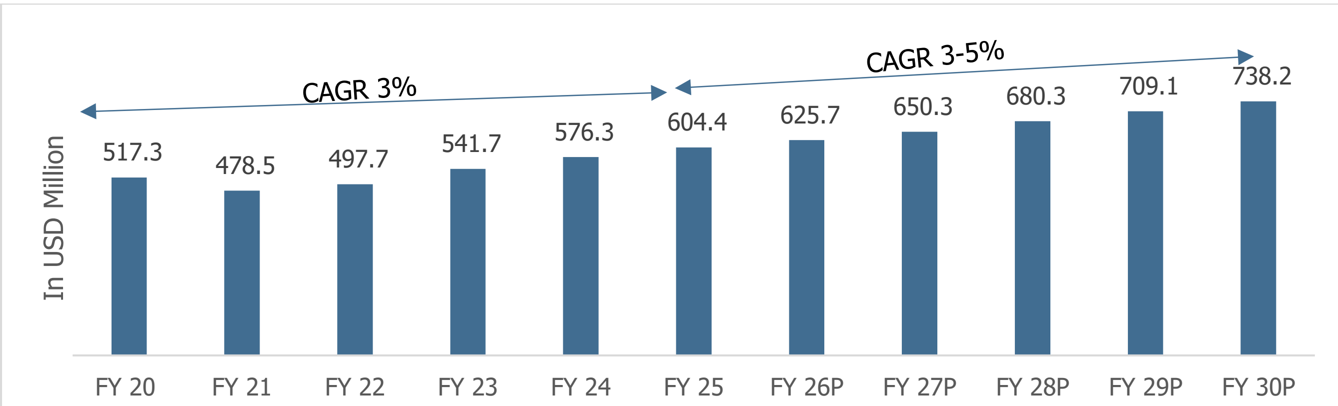
Source: Imarc Group, CareEdge Research; P: Projected

Overall Indian Crankshaft Industry

Industry Overview & Domestic Market Size

The domestic crankshaft industry in India has demonstrated a steady recovery and is poised for a stronger growth phase. After a subdued period marked by a contraction in FY21, the market rebounded from USD 478.5 million to USD 625.7 million by FY25, reflecting a moderate CAGR of 3.88%. Looking ahead, the market is expected to accelerate further, growing at an estimated CAGR of 3–5% between FY25 and FY30P, reaching a projected size of USD 738.2 million by FY30. This expansion is being driven by renewed demand in the automotive sector, rising farm mechanization and industrial output recovery.

Chart 44: Domestic Crankshaft Industry Market Size



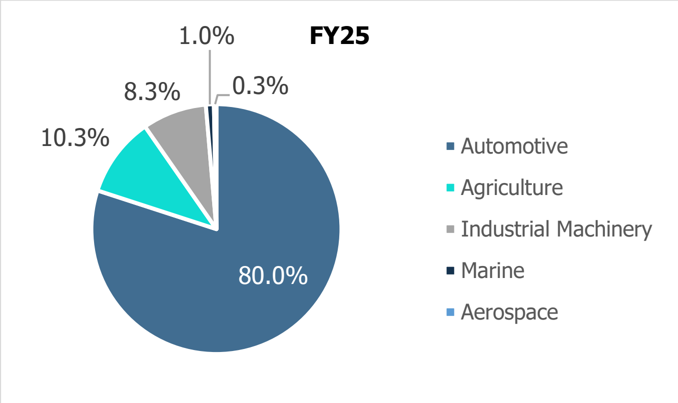
Source: Imarc Group, CareEdge Research; P: Projected

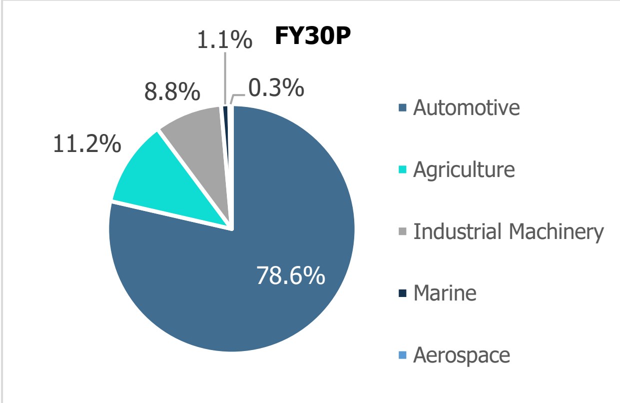
Domestic Market Size by End-User Industry

The automotive sector continues to dominate the domestic crankshaft market, accounting for 80% of the demand in FY25. Although its share is projected to decrease slightly to 78.6% by FY30P, it remains the primary growth driver, fueled by rising vehicle production and robust domestic consumption trends. This indicates the automotive segment's enduring role in anchoring market demand, even as other sectors exhibit incremental growth.

The agriculture sector is expected to see an increase in its share from 10.3% to 11.2% during the same period, driven by the growing adoption of tractors and advanced farm equipment in response to mechanization trends. Similarly, the industrial machinery segment is projected to grow modestly, from 8.3% to 8.8%, supported by infrastructure expansion and increased capital goods manufacturing.

Chart 45: Domestic Crankshaft Industry Market Size by End-User Industry





Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected

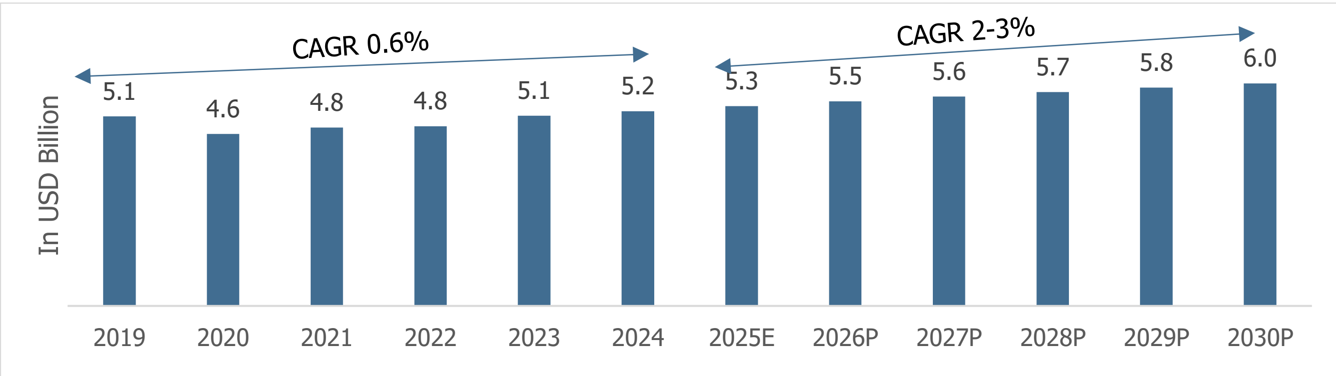
Automotive Crankshaft Market

Global Automotive Crankshaft Market

Industry Overview and Global Market Size

The global automotive crankshaft industry has undergone a relatively flat trajectory between 2019 and 2025, growing at a marginal CAGR of 0.6% and reaching USD 5.3 billion in 2025. However, the outlook turns more optimistic from 2025 onward, with the market projected to expand at a CAGR of 2–3%, reaching USD 6.0 billion by 2030. This anticipated growth is supported by stable global automotive production, particularly in developing markets, as well as an increasing demand for fuel-efficient internal combustion engines (ICEs) in hybrid vehicles amid the gradual EV transition.

Chart 46: Global Automotive Crankshaft Industry Market Size

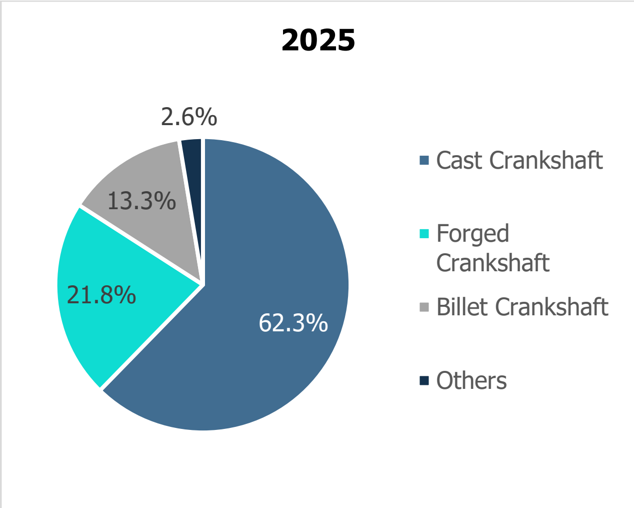


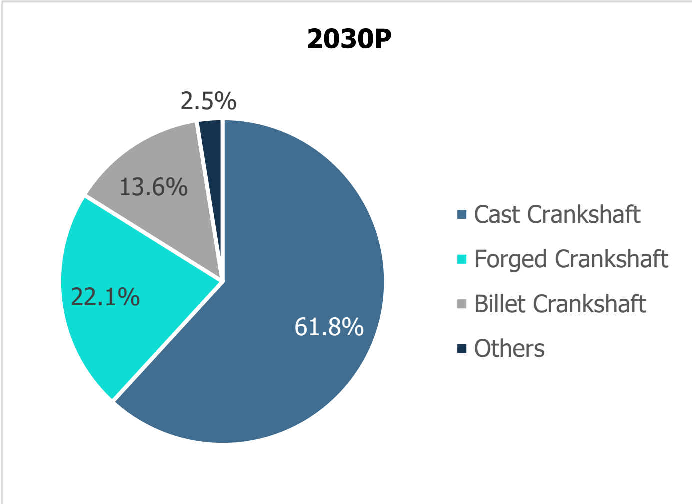
Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected; Years refer to Calendar Year (CY)

Global Market Size by Type

From a product-type segmentation, cast crankshafts continue to dominate, accounting for 62.3% of the global automotive crankshaft market in 2025. While this share is expected to decline marginally to 61.8% by 2030, it will remain the mainstay due to cost-effectiveness and high-volume applications in passenger vehicles. Forged crankshafts, known for their superior strength and performance, are expected to see modest growth in share from 21.7% in 2024 to 22.1% in 2030, driven by rising demand in commercial vehicles and performance-focused applications. Billet crankshafts, although niche, are projected to maintain a steady share (~13.2% to 13.6%), primarily serving the aftermarket and high-performance automotive segment. The "Others" category remains minimal in its contribution (~2.5%).

Chart 47: Global Automotive Crankshaft Industry by Type





Source: Imarc Group, CareEdge Research; P: Projected

Key Drivers for Global Automotive Crankshaft Market

1. Rising Vehicle Production and Fleet Expansion: Global demand for passenger cars and commercial vehicles continues to rise, particularly in emerging markets such as India, China and Southeast Asia. The expansion of logistics and infrastructure sectors is also driving higher commercial vehicle production, directly boosting crankshaft requirements.

2. Stringent Emission Norms and Fuel Efficiency Targets: Regulatory frameworks worldwide are compelling automakers to improve engine performance and efficiency. This has led to demand for high-strength, precision-engineered crankshafts that support better combustion efficiency, reduced friction losses and compliance with emission standards.

3. Adoption of Advanced Materials and Manufacturing Technologies: Automakers are increasingly turning to forged steel, micro-alloyed materials and advanced surface treatment technologies to produce lighter yet more durable crankshafts. Precision machining and automation in forging processes are further improving product reliability and reducing production costs.

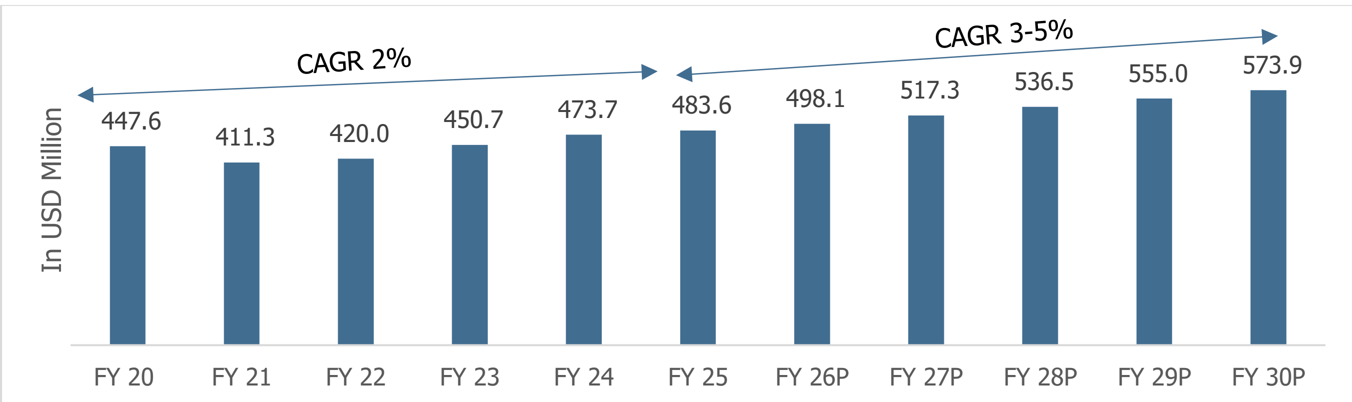
4. Sustained Aftermarket Replacement Demand: Crankshafts undergo significant stress and wear during engine life, making them a frequent replacement component in the aftermarket, especially for commercial vehicles and heavy-duty applications. This replacement cycle ensures stable, recurring demand irrespective of fluctuations in new vehicle production.

Domestic Market

Domestic Market Size

The domestic automotive crankshaft industry has exhibited steady growth from FY20 to FY25, driven by a modest CAGR of 1.5%. This trend reflects the sector's resilience despite global disruptions and economic uncertainties. However, the outlook, spanning FY25 to FY30, projects an accelerated CAGR of 3-5%, signalling a significant shift in market dynamics. The increase in demand can be attributed to technological advancements, expanding automotive production and the growing focus on efficiency and durability in engine components. By FY30, the market size is anticipated to reach USD 573.9 million, suggesting a healthy trajectory fuelled by both domestic and export opportunities.

Chart 48: Domestic Automotive Crankshaft Industry Market Size

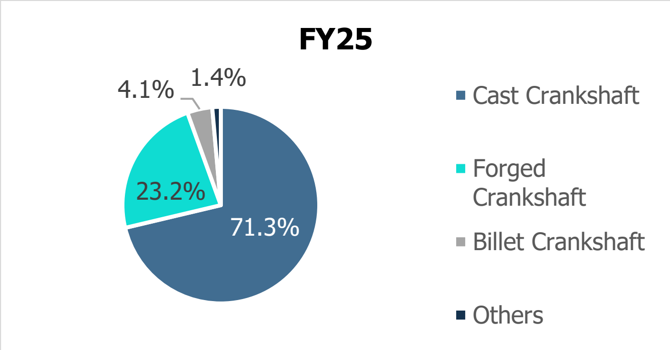


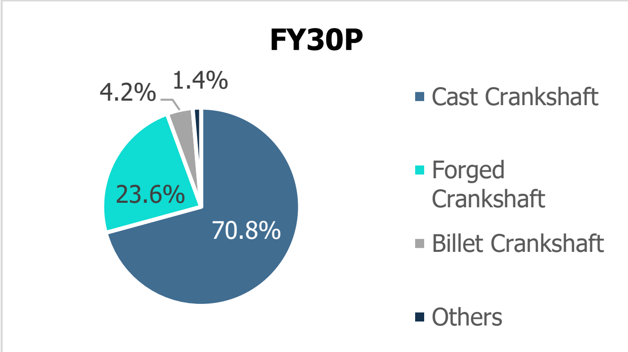
Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected

Domestic Market Size by Type

The composition of the domestic crankshaft market showcases a predominant reliance on cast crankshafts, accounting for over 70% of the market in both FY25 and FY30P. This dominance underscores their cost-effectiveness and wide applicability in mass-market vehicles. Forged crankshafts maintain a stable share of approximately 23%, emphasizing their critical role in high-performance and heavy-duty applications due to superior strength and durability. Billet crankshafts and other niche categories continue to capture marginal shares, collectively comprising less than 6%, which reflects their specialised use cases in premium vehicles or racing engines. The slight increase in the share of forged crankshafts by FY30 hints at a gradual shift towards higher performance and durability preferences in the market.

Chart 49: Domestic Automotive Crankshaft Industry by Type



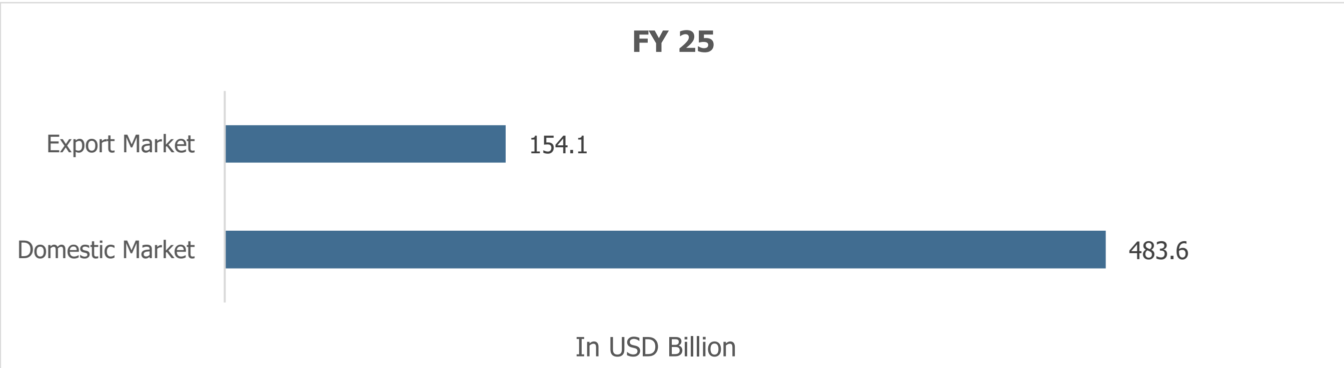


Source: Imarc Group, CareEdge Research; P: Projected

Market Split of Domestic Automotive Crankshaft Industry by Trade

In FY25, the domestic market stands out as the dominant contributor, with a staggering value of USD 483.6 billion, accounting for a significant majority of the industry. This strong domestic focus reflects the robust local automotive manufacturing ecosystem and the growing replacement demand for crankshafts. In contrast, the export market, valued at USD 154.1 billion, underscores the global competitiveness of domestic manufacturers. Even though it is on a smaller scale, the export segment highlights the increasing global appetite for high-quality, affordable crankshafts made in India. This points to a great chance for expanding internationally. The balance between strong domestic demand and growing export activity shows how adaptable the industry is and hints at its potential for long-term growth.

Chart 50: Market Split of Domestic Automotive Crankshaft Industry by Trade (FY25)



Source: Imarc Group, CareEdge Research; E: Estimated

Key Growth Drivers for Crankshaft Industry

Growth Driver	Description
Rising Vehicle Production and Demand	The surge in global vehicle production, particularly in emerging markets, is fuelling the demand for crankshafts. As people earn more and cities grow, owning a vehicle becomes easier for many. Also, the trend towards SUVs and larger cars is increasing the need for strong and reliable crankshaft designs.
Advancements in Manufacturing Technology	Innovations in forging and casting, along with automation and precision machining, have enhanced production efficiency, reduced material waste and improved product quality. These technological advancements enable manufacturers to meet stringent performance and environmental standards, boosting their competitiveness in global markets.
Focus on Lightweight Materials and Engine Efficiency	The shift towards fuel efficiency and emissions control has led to the adoption of lightweight, high-strength materials and advanced design methods. These enable the production of crankshafts that support better engine performance without compromising durability, aligning with both regulatory requirements and consumer demand for greener vehicles.
Growth in Aftermarket and Replacement Demand	The increasing size and age of the global vehicle parc, especially in commercial and heavy-duty segments, has fuelled growing demand for replacement crankshafts. Extended vehicle lifespans and usage cycles in developing regions present a strong opportunity in the aftermarket segment.

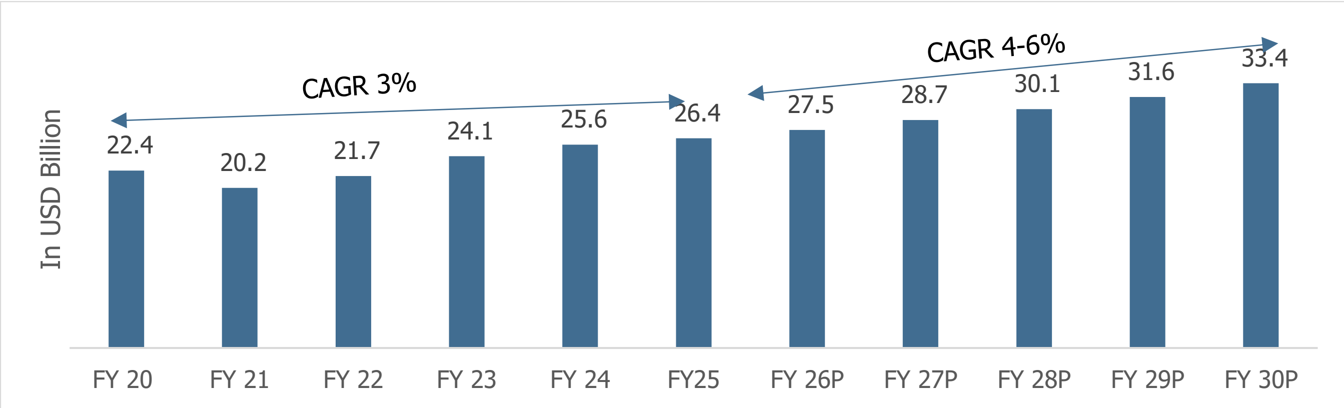
Growth Driver	Description
Electric and Hybrid Vehicle Integration	Although EVs reduce reliance on traditional ICE components, hybrid vehicles still require crankshafts capable of handling load transitions between electric and combustion power. This need for high-precision, durable crankshafts in hybrid systems offers a transitional growth avenue as the industry moves towards full electrification.

Other Key Product Segments

Steering Yokes Assembly

The domestic market for steering yokes assembly has shown consistent growth, with a CAGR of 3% from FY20 to FY25, reflecting increasing demand driven by the expansion of the automotive sector. The market is projected to grow at an accelerated CAGR of 4-6% from FY25 to FY30P, reaching USD 33.4 billion by FY30P. This growth is largely attributed to advancements in steering technology, the adoption of electric power steering systems and a surge in vehicle production, particularly in the passenger car and SUV segments.

Chart 51: Domestic Market Size for Steering Yokes

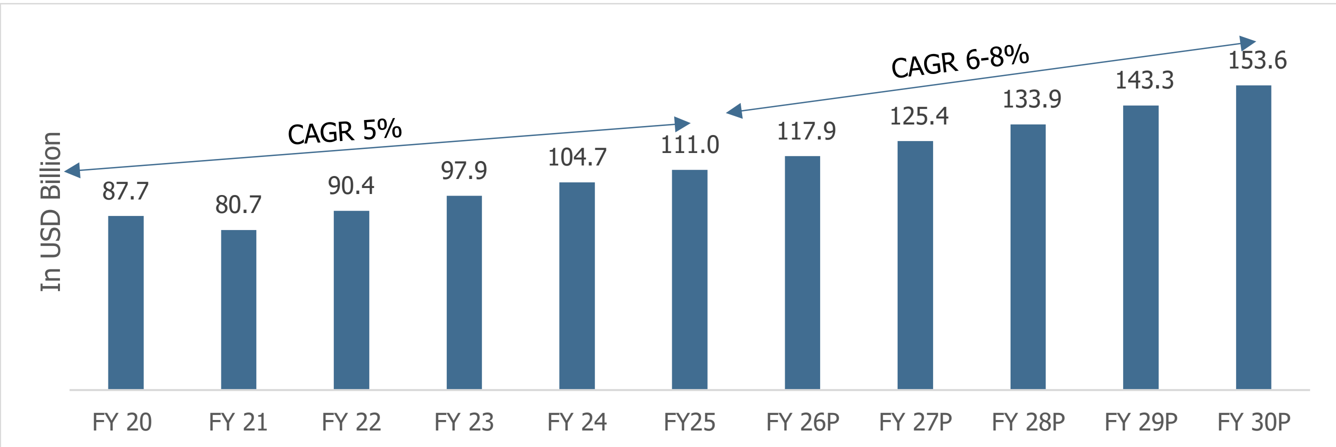


Source: Imarc Group, CareEdge Research; P: Projected

Lever and Lever Assembly (2W)

The lever and lever assemblies' segment has witnessed steady growth at a CAGR of 5% from FY20 to FY25, reaching USD 111 billion. The robust growth is driven by the increasing production of two-wheelers and commercial vehicles, where these components play a critical role. From FY25 to FY30P, the CAGR is expected to rise to 6-8%, reaching USD 153.6 billion, fuelled by innovations in manufacturing processes and the growing demand for ergonomically designed levers in modern vehicles.

Chart 52: Domestic Market Size for Lever and Lever Assembly

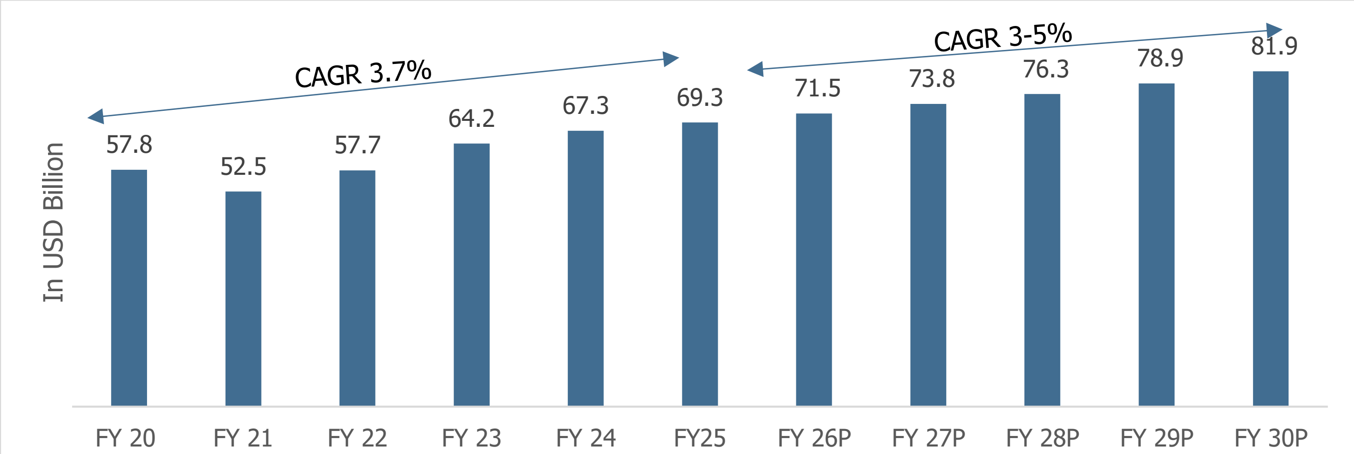


Source: Imarc Group, CareEdge Research; P: Projected

Door Hinges (4W)

The door hinges market for four-wheelers has grown at a moderate CAGR of 3.7% from FY20 to FY25, reflecting its reliance on steady automotive production. However, the market is projected to maintain a growth trajectory of 3-5% between FY25 and FY30P, reaching USD 81.9 billion. The emphasis on lightweight and corrosion-resistant materials, along with an increase in premium vehicle production featuring advanced door systems, contributes to the segment's consistent expansion.

Chart 53: Domestic Market Size for Door Hinges

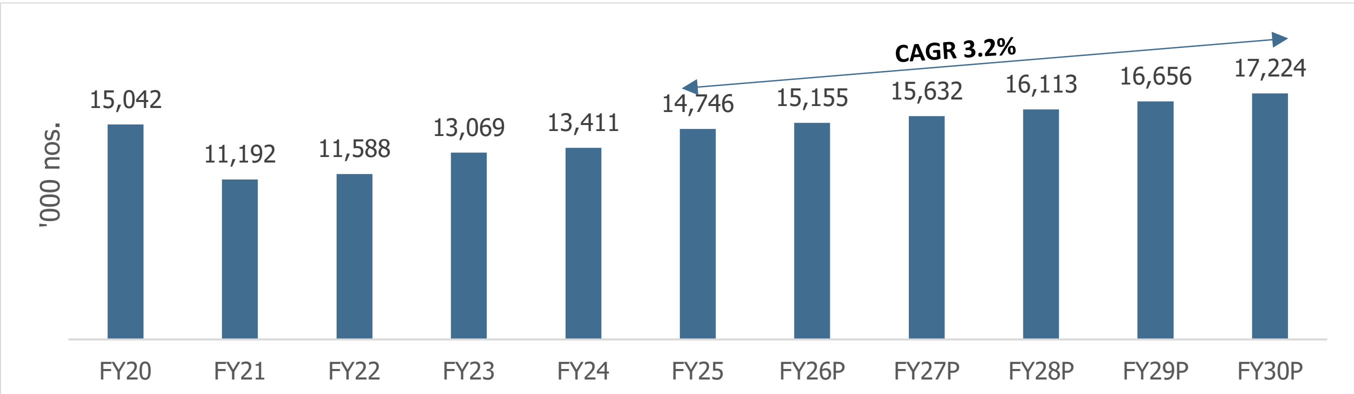


Source: Imarc Group, CareEdge Research; E: Estimated, P: Projected

Domestic Refrigerator Market

Production, which stood at 15,042 thousand units in FY20, witnessed a decline over the next two years, bottoming out at 11,192 thousand units in FY21 due to pandemic-led disruptions. A gradual recovery followed, with production reaching 13,411 thousand units in FY24 and further increasing to 14,746 thousand units in FY25. Looking ahead, projections indicate steady growth, with output expected to cross 17,200 thousand units by FY30, supported by rising household incomes, urbanization and expanding replacement demand. This trajectory reflects both a rebound from past disruptions and sustained long-term growth in consumer durables demand.

Chart 54: Domestic Production for Refrigerators

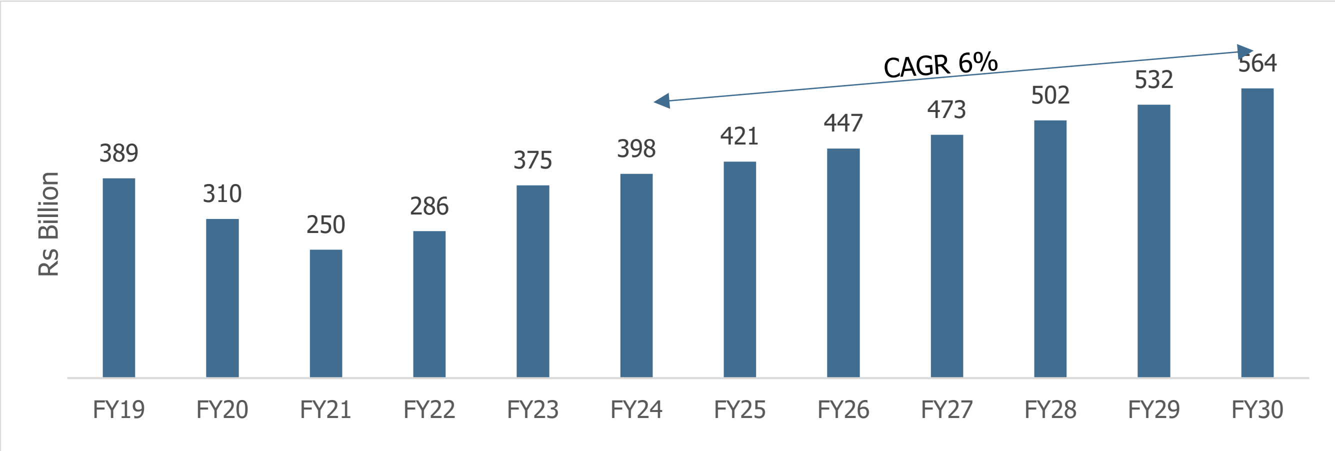


Source: CMIE, CareEdge Research

Mining Equipment Industry

India's mining equipment market, estimated at ₹389 billion in FY19 and projected to reach about ₹564 billion by FY30 (6% CAGR), will be a key enabler of the sector's growth. Rising demand for coal, iron ore and critical minerals to support infrastructure and the energy transition will drive the need for advanced machinery such as surface miners, high-capacity dumpers and underground equipment. Increasing mechanization and automation are expected to improve productivity, reduce costs and enhance ore recovery, while digital solutions like GPS-enabled drills and predictive maintenance systems will boost efficiency and sustainability. As a result, the expansion of mining equipment capacity will directly support India's broader mineral and industrial growth.

Chart 55: Domestic Market Size of Mining Equipment Industry



Source: Department of Mining, CareEdge Research

Significance of Agriculture Industry in Indian Economy

Agriculture is the primary source of livelihood for about 58% of India's population. As a result, the share of agriculture and allied sectors to the total economy's Gross Value Added (GVA) has been significant and has increased over the years as shown in the table.

Table 13: Percentage share of GVA of Agriculture and Allied Sector in Total Economy (At Current Prices)

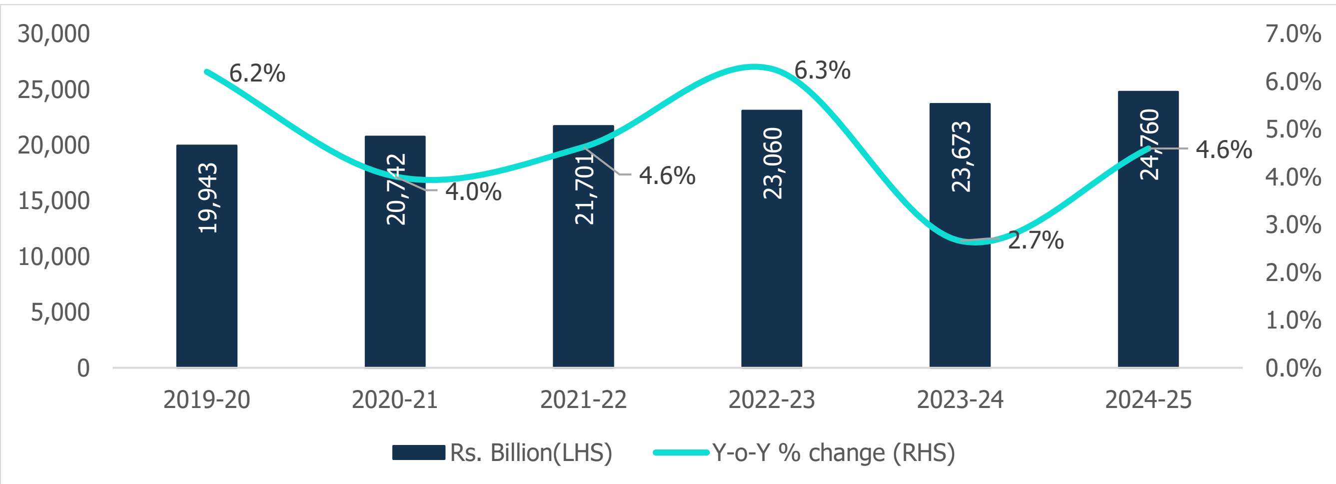
Year	% Share
2016-17	18.0
2017-18	18.3
2018-19	17.6
2019-20	18.3
2020-21	20.4
2021-22	18.9
2022-23	18.0
2023-24	17.8
2024-25	18.0

Source: PIB Release, MOSPI; SAE: Second Advance Estimates

As of 2024-25 the agriculture sector is the largest employer of the workforce and accounted for a sizeable 18.0% of the Gross Value Added (GVA) of the country. Growth in allied sectors including livestock, dairying and fisheries has also been the major drivers of overall growth in the sector.

Further, the expansion in the share of agriculture and allied sector's GVA is backed by an upward trend in the GVA of agriculture activities. During the five-year period 2020-21 to 2024-25, the GVA for agriculture increased at a CAGR of 3.7% from Rs. 19,943 billion in 2019-20 to Rs. 24,760 billion in 2024-25.

Chart 56: Trend in Agriculture GVA at Constant Prices (Rs. Billion)



Source: RBI, MOSPI

The growth in agriculture GVA has been supported by various measures on credit, market reforms and food processing. Moreover, several measures are in place to raise productivity and improve the marketing of agricultural produce. Accordingly, the government has a large food management programme in place with significant financial implications in terms of food subsidies.

The agriculture sector is expected to be driven by rising food demand, government support through MSPs and subsidies and adoption of modern farming practices. Increased mechanization, digital agri-tech solutions and improved irrigation coverage are enhancing productivity. Growing exports of rice, spices and horticulture produce, along with focus on food processing, are further supporting sectoral expansion.

Competitive Landscape

Company Profile

Kay Jay Forgings Ltd (KJFL), established in 1983 in Ludhiana, is a manufacturer of precision forged and machined components for the Automotive & Non-Automotive sector. Promoted by Kothari family, KJFL has customer relationship with major auto manufacturer in India. Its products have end industry application in two-wheeler, three-wheeler, four-wheeler and agriculture industries.

Kay Jay Forgings Ltd (KJFL) is engaged in manufacturing of auto components with key products including crankshaft assemblies, connecting rods, lower bracket assemblies, lever kick starter assemblies and steering assembly yokes. It operates 4 plants in Ludhiana and 2 Manufacturing plants in Hosur, Tamil Nadu. Equipped with advanced technology, some of its manufacturing plants are approved by IATF 16949:2016, ISO 14001:2015 and ISO 45001:2018.

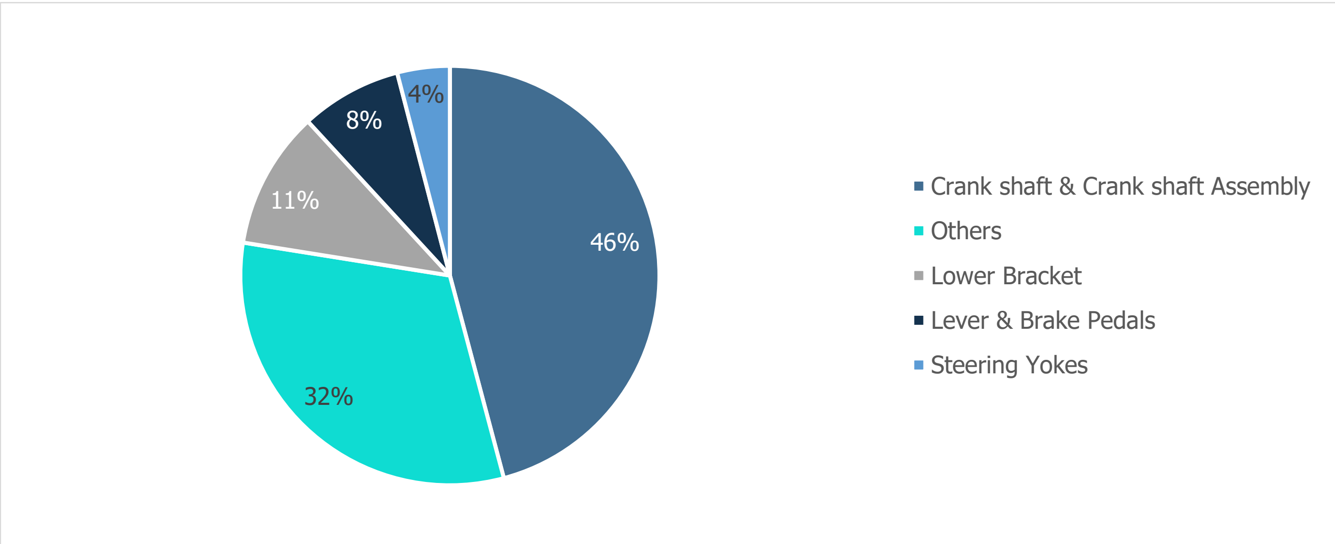
Key Product Portfolio

Precision Forged & Machined Components: crankshaft and crankshaft assemblies, lower bracket assemblies, lever kick-starter assemblies, gear-shift lever assemblies, propeller shafts, door hinges and steering yokes

Non-automotive:

- Parts for mining, agriculture, forestry and gardening equipment, toolholder basic body.

Chart 57: Product Wise Revenue Split (H1 FY26)



Source: Company Disclosures

Strategic Positioning of the Company

Kay Jay Forgings Limited has emerged as one of the well-established manufacturers of precision automotive components in India, with key products including crankshaft and crankshaft assemblies, lower bracket assemblies, lever kick-starter assemblies, gear-shift lever assemblies, propeller shafts, door hinges and steering yokes.

Throughout its journey, kay jay forgings has consistently achieved key milestones, underscoring its focus on quality, innovation and global reach.

The company's established a presence in the precision components manufacturing industry due to its ability to manufacture and supply complex, high-quality precision components according to their customers' specifications. Kay Jay Forgings has been a key preferred supplier to TVS Motor Company for over three decades, maintaining a strong and long-standing partnership founded on consistent quality and evolving product offerings.

Kay Jay has been trusted by marquee clients like TVS Motor Company Limited, Mahindra & Mahindra limited and Honda Motorcycle and Scooter India Private Limited. It has also earned accolades including a QSR score of 7.61 in 2021, highlighting its focus on maintaining high standards in product quality.

Within the forged crankshaft component market segment, Kay Jay Forgings Limited is the largest supplier of crankshaft and crankshaft assemblies to OEMs in India for two-wheelers with an estimated domestic market share of ~36% in Fiscal 2025. The company supplies directly to vehicle manufacturers and is recognised as a key supplier of two-wheeler crankshaft assemblies in India, while also serving the non-OEM (aftermarket) segment.

In 2014, the company expanded the supply to lower bracket assembly as well. In 2021, the company started supplying three-wheeler crank shaft assemblies to TVS Motor Co. Limited. The company started supplying Crank Shafts to Honda Motorcycles & Scooters India in 2023. In 2023 they also started supplying door hinges to Mahindra & Mahindra. The company's innovative approach has driven portfolio expansion, from launching crankshaft assemblies in 2012 to entering the EV and three-wheeler segments in 2021 and adding advanced components for Husqvarna and Mahindra by 2023. As on March 31, 2025, the company supplies 10,000 crank shaft assembly and 4,000 lower bracket assembly per day to TVS Motor Co. Limited for various two-wheeler models.

Peer Comparison of Financial & Operational Indicators

Table 14: Comparison for H1FY26

Benchmarking Parameters	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financials Parameters (Rs Million) (H1FY26)					
Revenue from operations	4,660.63	19,227.86	1,198.06	15,915.06	5,269.66
Gross profit	2,135.92	7,619.99	685.26	9,464.16	2,519.42
Gross margin %	45.83%	39.63%	57.20%	59.47%	47.81%
EBITDA	445.61	1,692.20	125.00	2,751.96	804.13
EBITDA margin %	9.56%	8.80%	10.43%	17.29%	15.26%
PAT	213.57	22.90	35.57	1343.78	934.94
PAT margin %	4.58%	0.12%	2.97%	8.44%	17.74%
ROE %	11.59%%#	0.07%%#	3.87%%#	4.67%%#	8.02%%#
ROCE %	12.67%%#	2.14%%#	6.20%%#	6.47%%#	10.99%%#
Debt/ Total Equity	0.45	0.66	0.99	0.07	0.00
Inventory Days	73	125	177	138	164
Debtor Trade Receivables (Days)	25	93	133	29	66
Creditor Trade Payables (Days)	49	179	184	100	61
CCC (days)Cash Conversion Cycle (Days)	50	39	125	67	169
Average Net Fixed Asset Turnover Ratio	2.60#	0.72#	1.85#	0.88#	1.19#
Operational Parameters (H1FY26)					
Installed Capacity (MTPA)	21,050	N/A	N/A	N/A	N/A
Auto Revenue from Automotive Industry (Rs Mn)	4,371.80*	N/A	N/A	N/A	N/A
Auto %Percentage of revenue from Automotive Industry	98.66%	N/A	N/A	N/A	N/A
Non-Auto Revenue (Rs Mn)from Non-Automotive Industry	59.38*	N/A	N/A	N/A	N/A
Non-Auto %Percentage of revenue from Non-Automotive Industry	1.34%	N/A	N/A	N/A	N/A
Domestic Revenue (Rs Mn)	3,994.99*	N/A	N/A	N/A	N/A
Domestic %Percentage of revenues from domestic sales	90.16%	N/A	N/A	N/A	N/A
Export Revenue (Rs Mn)	436.19	N/A	N/A	N/A	N/A
Export %Percentage of revenue from exports	9.84%	N/A	N/A	N/A	N/A

Source: Company Disclosures; *Excludes sale of scrap; ^Standalone figures; N/A: Not Available; #: Non-Annualised

Table 15: Comparison for FY25

Benchmarking Parameters	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financials Parameters (Rs Million) (FY25)					

Benchmarking Parameters	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Revenue from operations	7,504.64	40,341.07	2,366.43	30,167.51	11,548.02
Gross profit	3,540.31	17,886.00	1,243.70	17,754.00	5,701.73
Gross margin %	47.18%	44.34%	52.56%	58.85%	49.37%
EBITDA	714.97	5,595.55	240.01	5,147.56	2,406.25
EBITDA margin %	9.53%	13.87%	10.14%	17.06%	20.84%
PAT	290.15	4,150.25	83.15	2,168.81	1,739.97
PAT margin %	3.87%	10.29%	3.51%	7.19%	15.07%
ROE %	17.81%	13.66%	9.27%	7.84%	16.23%
ROCE %	18.98%	7.86%	10.11%	11.80%	19.34%
Debt/Total Equity	0.63	0.66	0.80	0.11	0.01
Inventory Days	89	202	176	131	149
Trade Receivables (Days)	24	83	110	6	65
Trade Payables (Days)	55	191	157	106	60
Cash Conversion Cycle (Days)	59	93	128	31	154
Average Net Fixed Asset Turnover Ratio	4.41	1.69	4.08	1.86	2.54
Operational Parameters (FY25)					
Installed Capacity (MTPA)	40,100	2,68,400	~18,000-24,000	N/A	1,65,000
Auto Revenue from Automotive Industry (Rs Mn)	7,017.97*	28,438.39*	N/A	26,668.51	11,548.02
Auto % Percentage of revenue from Automotive Industry	98.91%	78.25%	N/A	88.40%	100.00%
Non-Auto Revenue (Rs Mn) from Non-Automotive Industry	77.14*	7,904.60*	N/A	3,499.49	-
Non-Auto %Percentage of revenue from Non-Automotive Industry	1.09%	21.75%	N/A	11.60%	-
Domestic Revenue (Rs Mn)	6,711.50*	21,522.09*	N/A	20,634.91	6,008.21
Domestic % Percentage of revenues from domestic sales	94.59%	59.22%	N/A	68.40%	52.03%
Export Revenue (Rs Mn)	383.60	14,820.90	N/A	9,533.09	5,539.81
Export % Percentage of revenue from exports	5.41%	40.78%	N/A	31.60%	47.97%

*Source: Company Disclosures; *Excludes sale of scrap; N/A: Not Available*

Note:

1. *Revenue from Operations means the revenue from operations for the period / year.*
2. *Gross profit is calculated as revenue from operations minus cost of materials consumed minus (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress.*
3. *Gross Margin is calculated as gross profit divided by revenue from operations*
4. *EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.*
5. *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*
6. *PAT means the profit after tax for the year/ period.*
7. *PAT Margin is calculated as restated profit for the year/ period divided by revenue from operations.*
8. *Return on Equity is calculated as restated profit for the period / year divided by total equity.*
9. *Return on Capital Employed is calculated as EBIT divided by Capital Employed. Capital employed is calculated as total equity plus total borrowings while EBIT is calculated as restated profit for the period / year plus total income tax expense plus finance costs.*
10. *Debt/ Total Equity is calculated as total debt (including current and non-current borrowings) divided by total equity.*
11. *Inventory Days is calculated as Average Inventory divided COGS * 365 while COGS is calculated as cost of materials consumed + Purchase of stock-in-trade + Change in inventories of Finished Goods, Stock-in-trade and Work-in-Progress; for H1FY26 Inventory days is calculated as Average Inventory divided by COGS * 183.*
12. *Trade Receivable Days is calculated as Average Receivables/ Revenue from Operations *365; For H1FY26 Trade Receivable Days is calculated as Average Receivable divided by Revenue from Operation * 183.*
13. *Trade Payable Days is calculated as Average Payables / COGS * 365; For H1FY26 Trade Payable Days is calculated as Average Payable divided by COGS * 183*
14. *Cash conversion cycle (CCC) is calculated Inventory Days plus Trade Receivable Days minus Trade Payable Days.*
15. *Average Net Fixed Assets Turnover Ratio is calculated as revenue from operations for the period / year divided by Average Net Fixed Assets (Property, Plant and Equipment)*
16. *Installed capacity refers to the maximum production capacity of our manufacturing facilities as per the design and technical specifications of the plant and machinery, and as certified by our management/technical consultants, assuming operations under normal working conditions.*
17. *Revenues from automotive industry is revenue derived from sale of product to automotive industry.*

18. *Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.*
19. *Revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry*
20. *Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.*
21. *Domestic revenue means revenue from sale of products from domestic sales.*
22. *Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.*
23. *Exports revenue means revenue from sale of products from export sales.*
24. *Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.*

Table 16: Comparison for FY24

Benchmarking Parameters	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financial Parameters (Rs Million) (FY24)					
Revenue from operations	6,723.16	37,045.45	2,367.87	28,114.32	12,217.55
Gross profit	3,075.25	16,157.97	1,230.83	15,938.92	5,946.01
Gross margin %	45.74%	43.62%	51.98%	56.69%	48.67%
EBITDA	647.10	7,729.12	138.57	4,798.51	2,619.68
EBITDA margin %	9.62%	20.86%	5.85%	17.07%	21.44%
PAT	241.26	2,912.13	45.50	1,875.49	1,560.38
PAT margin %	3.59%	7.86%	1.92%	6.67%	12.77%
ROE %	17.98%	11.06%	5.55%	13.76%	17.37%
ROCE %	17.80%	14.70%	8.06%	15.40%	23.18%
Debt/Total Equity	0.83	0.42	0.74	0.59	0.02
Inventory Days	82	189	185	115	143
Trade Receivables (Days)	24	42	105	31	67
Trade Payables (Days)	51	177	144	97	62
Cash Conversion Cycle (Days)	56	54	146	49	148
Average Net Fixed Asset Turnover Ratio	4.71	1.96	4.99	2.06	2.85
Operational Parameters (FY24)					
Installed Capacity (MT)	40,100	2,10,900	N/A	N/A	1,65,000
Auto Revenue from Automotive Industry (Rs Mn)	6,320.85*	26,979.85^*	N/A	24,656.98	12,217.55
Auto % Percentage of revenue from Automotive Industry	99.54%	77.10%	N/A	87.70%	100.00%
Non-Auto Revenue (Rs Mn)from Non-Automotive Industry	29.31*	8,013.47^*	N/A	3,458.02	-
Non-Auto % Percentage of revenue from Non-Automotive Industry	0.46%	22.90%	N/A	12.30%	-
Domestic Revenue (Rs Mn)	5,879.49*	20,164.33^*	N/A	19,314.32	5,904.44
Domestic % Percentage of revenues from domestic sales	92.59%	57.62%	N/A	68.70%	48.33%
Export Revenue (Rs Mn)	470.69*	14,828.99*	N/A	8,799.68	6,313.11
Export % Percentage of revenue from exports	7.41%	42.38%	N/A	31.30%	51.67%

*Source: Company Disclosures; *Excludes from scrap sales; ^Standalone figures; N/A: Not Available*

Table 17: Comparison for FY23

Benchmarking Parameters	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
Financial Parameters (Rs Million) (FY23)					
Revenue from operations	6,026.92	31,928.95	2,658.40	23,460.44	11,789.53
Gross profit	2,549.16	15,503.95	1,137.91	13,285.86	5,791.33
Gross margin %	42.30%	48.56%	42.80%	56.63%	49.12%
EBITDA	500.85	8,482.70	106.71	3,847.53	2,607.16
EBITDA margin %	8.31%	26.57%	4.01%	16.40%	22.11%
PAT	138.13	2,481.08	-1.84	1,483.42	451.74
PAT margin %	2.29%	7.77%	-0.07%	6.32%	3.83%

Benchmarking Parameters	Kay Jay Forgings Limited	Ramkrishna Forgings Limited	Kalyani Forge Limited	Sansera Engineering Limited	Rolex Rings Limited
ROE %	12.51%	18.77%	-0.24%	12.55%	6.08%
ROCE %	12.23%	20.27%	4.01%	13.98%	12.15%
Debt/Total Equity	1.29	0.85	0.49	0.60	0.11
Inventory Days	75	184	109	108	161
Trade Receivables (Days)	29	51	101	65	71
Trade Payables (Days)	48	176	95	100	70
Cash Conversion Cycle (Days)	56	59	116	74	162
Average Net Fixed Asset Turnover Ratio	4.88	2.06	6.40	1.98	3.07
Operational Parameters (FY23)					
Installed Capacity (MT)	36,900	1,87,100	N/A	N/A	1,44,750
Auto Revenue from Automotive Industry (Rs Mn)	5,662.22	23,347.77^	N/A	18,298.80	11,789.53
Auto % Percentage of revenue from Automotive Industry	~99.84%	77.80%	N/A	78.00%	100.0%
Non-Auto Revenue (Rs Mn)from Non-Automotive Industry	9.22*	6,662.22^	N/A	4,222.80	-
Non-Auto % Percentage of revenue from Non-Automotive Industry	0.32%	22.20%	N/A	18.00%	-
Domestic Revenue (Rs Mn)	5,320.89*	17,558.69^	N/A	16,797.36	5,216.23
Domestic % Percentage of revenues from domestic sales	93.82%	58.51%	N/A	71.60%	44.24%
Export Revenue (Rs Mn)	350.56	12,451.30^	N/A	6,662.64	6,573.30
Export % Percentage of revenue from exports	6.18%	41.49%	N/A	28.40%	55.76%

*Source: Company Disclosures; *Excludes sale of scrap; ^Standalone figures; N/A: Not Available*

Financial Benchmarking

1. Net Sales

Net sales performance across forging companies reflects a mix of growth and pressure over FY23–FY25. Ramkrishna Forgings and Sansera Engineering posted strong double-digit growth with CAGRs of 12–13% whereas Rolex Rings remained broadly flat. Kay Jay Forgings reported consistent growth with sales rising from ₹6,027 million in FY23 to ₹7,505 million in FY25, translating into an 11.6% CAGR, reflecting steady scale-up in line with broader industry momentum.

Net Sales (Rs. Millions)	H1 FY26	FY25	FY24	FY23	CAGR (FY23-FY25)
Kay Jay Forgings Limited	4,660.63	7,504.64	6,723.16	6,026.92	11.59%
Ramkrishna Forgings Ltd	19,227.86	40,341.07	37,045.45	31,928.95	12.40%
Kalyani Forge Ltd	1,198.06	2,366.43	2,367.87	2,658.40	-5.65%
Sansera Engineering	15,915.06	30,167.51	28,114.32	23,460.44	13.40%
Rolex Rings Ltd	5,269.66	11,548.02	12,217.55	11,789.53	-1.03%

Source: Company Disclosures, Annual Reports

2. Operating Margin

Operating margin performance across forging companies shows both stability and pressure over FY23–FY25. Sansera Engineering maintained steady margins at around 17%, while Rolex Rings reported a slight tapering from 22.1% to 20.8% but remained at a healthy level. Ramkrishna Forgings, however, saw a sharp decline from 26.6% in FY23 to 13.9% in FY25, pointing to margin compression. Kalyani Forge improved significantly from 4.0% to 10.1%, reflecting operational recovery. Kay Jay Forgings maintained stable margins, moving from 8.3% in FY23 to 9.5% in FY25, highlighting consistent cost control and operating efficiency.

Operating Margin (in %)	H1 FY26	FY25	FY24	FY23
Kay Jay Forgings Limited	9.56%	9.53%	9.62%	8.31%
Ramkrishna Forgings Ltd	8.80%	13.87%	20.86%	26.57%
Kalyani Forge Ltd	10.43%	10.14%	5.85%	4.01%
Sansera Engineering	17.29%	17.06%	17.07%	16.40%
Rolex Rings Ltd	15.26%	20.84%	21.44%	22.11%

Source: Company Disclosures, Annual Reports

3. Net Profit Margin

Net profit margin trends across forging companies reflect differing profitability trajectories over FY23–FY25. Rolex Rings maintained the highest margins, though with some fluctuation, moving from 16.8% in FY23 to 15.1% in FY25. Ramkrishna Forgings improved steadily, reaching 10.3% in FY25, while Sansera Engineering also showed gradual gains from 6.3% to 7.2%. Kay Jay Forgings reported consistent improvement, with margins rising from 2.3% in FY23 to 3.9% in FY25, reflecting gradual strengthening of bottom-line performance.

Net Profit Margin (in %)	H1 FY26*	FY25	FY24	FY23
Kay Jay Forgings Limited	4.58%	3.87%	3.59%	2.29%
Ramkrishna Forgings Ltd	0.12%	10.29%	7.86%	7.77%
Kalyani Forge Ltd	2.97%	3.51%	1.92%	-0.07%
Sansera Engineering	8.44%	7.19%	6.67%	6.32%
Rolex Rings Ltd	17.74%	15.07%	12.77%	3.83%

Source: Company Disclosures, Annual Reports

4. Return on Capital Employed (ROCE)

Across the peer set, ROCE trends were mixed, with some companies witnessing moderation while others showed improvement by FY25. Rolex Rings Ltd reported the highest ROCE in FY24 at 23.18%, which remained strong at 19.34% in FY25, while Ramkrishna Forgings Ltd saw a decline from 20.27% in FY23 to 7.86% in FY25. Sansera Engineering maintained relatively stable ROCE in the low-to-mid teens, whereas Kalyani Forge Ltd showed gradual improvement from 4.01% in FY23 to 10.11% in FY25. Kay Jay Forgings Limited demonstrated a steady improvement in capital efficiency, with ROCE increasing from 12.23% in FY23 to 18.98% in FY25, reflecting strengthening operating performance.

Return on Capital Employed (ROCE) (in %)	H1 FY26*	FY25	FY24	FY23
Kay Jay Forgings Limited	12.67%	18.98%	17.80%	12.23%
Ramkrishna Forgings Ltd	2.14%	7.86%	14.70%	20.27%
Kalyani Forge Ltd	6.20%	10.11%	8.06%	4.01%
Sansera Engineering	6.47%	11.80%	15.40%	13.98%
Rolex Rings Ltd	10.99%	19.34%	23.18%	12.15%

*Source: Company Disclosures, Annual Reports; *Figures Non-Annualised*

5. Return on Equity (ROE)

Across the peer set, ROE performance remained mixed, with selective improvement by FY25 and moderation for a few players. Kay Jay Forgings Limited reported consistently healthy ROE, improving from 12.51% in FY23 to ~18% in FY24–FY25, indicating stable profitability and equity efficiency. Rolex Rings Ltd showed a sharp improvement from 6.08% in FY23 to 17.37% in FY24, followed by a marginal moderation in FY25, while Ramkrishna Forgings Ltd witnessed a decline from 18.77% in FY23 to low-teens levels in FY25. Sansera Engineering reported volatility, with ROE peaking in FY24 before softening in FY25, whereas Kalyani Forge Ltd improved from negative ROE in FY23 to high single-digit levels by FY25.

Return on Equity (ROE) (in %)	H1 FY26*	FY25	FY24	FY23
Kay Jay Forgings Limited	11.59%	17.81%	17.98%	12.51%
Ramkrishna Forgings Ltd	0.07%	13.66%	11.06%	18.77%
Kalyani Forge Ltd	3.87%	9.27%	5.55%	-0.24%
Sansera Engineering	4.67%	7.84%	13.76%	12.55%
Rolex Rings Ltd	8.02%	16.23%	17.37%	6.08%

*Source: Company Disclosures, Annual Reports, *Figures Non-Annualised*

OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contains forward looking statements that involve risks and uncertainties. You should read "**Forward Looking Statements**" on page 18 for a discussion of the risks and uncertainties related to those statements and "**Risk Factors**", "**Restated Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 20, 246 and 328, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Information as of and for the six month period ended September 30, 2025 and fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023. For further details, see "**Restated Financial Information**" beginning on page 246. In addition, certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Draft Red Herring Prospectus. Such non-GAAP financial measures should be read together with the nearest GAAP measure. See "**Certain Conventions, Presentation of Financial, Industry and Market Data**" on page 15. Our fiscal year commences on April 1 and ends on March 31 of each year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report for Precision Forged and Machined Components in the Automotive Industry" dated March 25, 2026 (the "**CARE Report**") prepared and issued by CARE Analytics and Advisory Private Limited ("**CARE**"), appointed by us pursuant to the engagement letter dated May 12, 2025 and exclusively commissioned and paid for by us for the purposes of confirming our understanding of the industry, in connection with the Offer. A copy of the CARE Report shall be available on the website of our Company at https://www.kayjayforgings.com/ipo.php and has also been included in "**Material Contracts and Documents for Inspection**" on page 433. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant and material for the proposed Offer) that have been left out or changed in any manner.*

*Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "**Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information sourced from the CARE Report, which was commissioned and paid for by us solely for the purposes of the Offer. Any reliance by prospective investors on such information for making an investment decision involves inherent risks**" on page 53. Also see, "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation–Industry and Market Data**" on page 15. CARE is an independent agency and is not related to the Company, its Directors, Promoters, Key Managerial Personnel, Senior Management or the Book Running Lead Manager.*

Overview

We are a precision engineering integrated manufacturer of forged and machined components, primarily catering to original equipment manufacturers ("**OEMs**") in the automotive sector. Beyond the automotive sector, we also cater to OEMs and non-OEMs in the non-automotive sector and supply farm equipment components, mining equipment components and electronic home appliances components. For the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, we derived 93.80%, 93.52%, 94.02% and 93.95% of our revenue from the automotive sector and 1.27%, 1.02%, 0.44% and 0.15% from the non-automotive sector, respectively.

During the six month period ended September 30, 2025, we have supplied a portfolio of 286 products with key products including crankshaft and crankshaft assemblies, lower bracket assemblies, lever kick-starter assemblies, gear-shift lever assemblies, propeller shafts, door hinges and steering yokes. According to the CARE Report, forged crankshafts maintain a stable share of approximately 23% in the domestic market emphasizing their critical role, in high-performance and heavy-duty applications due to superior strength and durability. Within the forged crankshaft component market segment, we are the largest supplier of crankshaft and crankshaft assemblies to OEMs in India for two-wheelers with an estimated domestic market share of ~36% in Fiscal 2025 *(source: CARE Report)*.

Our capabilities allow us to produce high-precision components with tolerances ranging from 2 to 20 microns and weights from 0.10 kilograms to 5.10 kilograms. We operate as a B2B supplier for such components supplying our products primarily directly to our customers, including OEMs and non-OEM customers, across domestic and international markets. During the six month period ended September 30, 2025 and last three Fiscals, we have served 44 customers. The following table sets forth our revenue from operations from OEM and Non-OEM customers for the periods/years indicated:

(₹ in million, unless stated otherwise)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*
OEM Customers	3,522.23	79.49	5,828.42	82.15	4,959.81	78.11	4,375.67	77.15

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*	Amount	% of Revenue from Operations*
Non-OEM Customers	908.94	20.51	1,266.69	17.85	1,390.37	21.89	1,295.78	22.85
Total	**4,431.17**	**100.00**	**7,095.11**	**100.00**	**6,350.18**	**100.00**	**5,671.45**	**100.00**

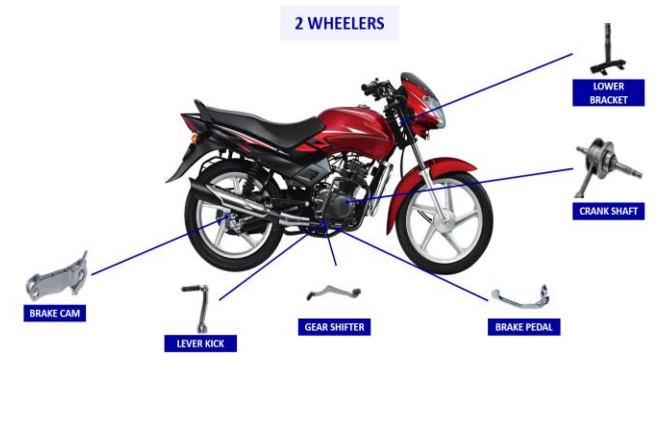
* *Excludes revenue generated from sale of scrap*

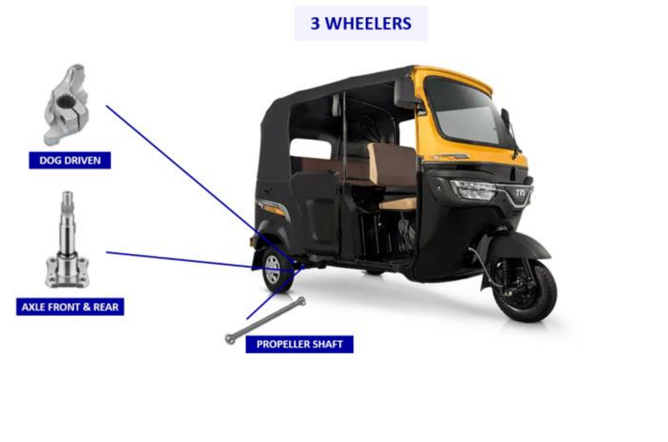
The following table sets forth our product category-wise revenue from operations for the periods/ years indicated, expressed as percentage of our revenue from operations***:***

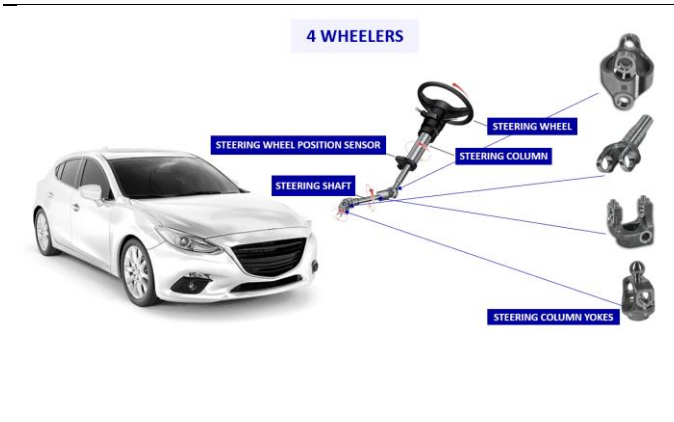
(₹ in million, unless stated otherwise)

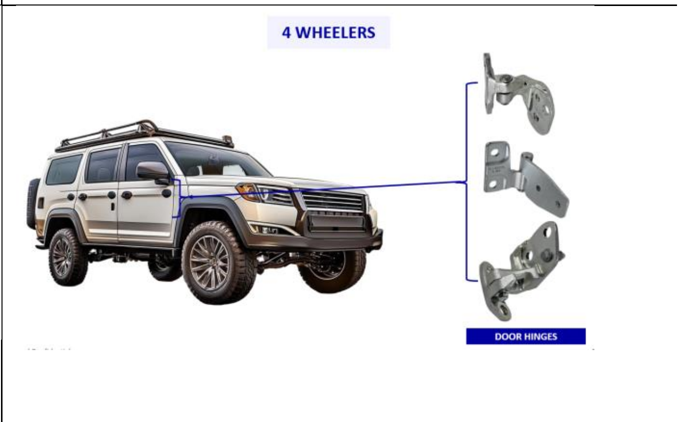
Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Forged Components	375.50	8.06	669.34	8.92	703.84	10.47	763.06	12.66
Machined Components	4,055.68	87.02	6,425.76	85.62	5,646.34	83.98	4,908.38	81.44
Sale of Scrap	229.45	4.92	409.53	5.46	372.99	5.55	355.48	5.90
Total	**4,660.63**	**100.00**	**7,504.64**	**100.00**	**6,723.16**	**100.00**	**6,026.92**	**100.00**

Set forth below is a representative overview of certain of our product offerings across select vehicle segments:









As per the CARE Report, our Company has emerged as one of the well-established manufacturers of precision automotive components in India. Crankshafts for the two-wheeler (2W) segment have been integral to our product offerings since the initial phase of our operations. Over time, we have expanded our offerings to three-wheelers (3W), four-wheelers (4W), commercial vehicle (CV), electric vehicle (EV) segments and non-automotive sector. In addition to supplying forged steel components, we have also integrated machining capabilities, which has enabled us to expand our product portfolio and supply safety-critical machined components to our customers. This progression from forging to machining has complimented and supported our long-standing customer engagements and has positioned us as an established supplier for multiple OEMs. We have established our presence in the precision components manufacturing industry owing to our ability to manufacture and supply complex and quality precision components according to our customers' specifications. Among our OEM customers, TVS Motor Company Limited represents our longest continuing relationship, with an association of over 37 years. As at September 30, 2025, we supplied approximately 11,587 crankshaft assemblies and 4,909 lower bracket assemblies on average per day to TVS Motor

Company Limited for their two-wheeler models. Our other customers include Honda Motorcycle & Scooter India Private Limited, Mahindra & Mahindra Limited, Bajajsons Limited, Highway Roop Precision Technologies Limited and Narasipur Auto Components Private Limited.

Below table sets out the number of customers served by us and our revenue from the end-use industries expressed as a percentage to our revenue from operations for the periods/ years indicated:

(₹ in million, unless stated otherwise)

Sector / End-Use Industry	Six month period ended September 30, 2025			Fiscal 2025			Fiscal 2024			Fiscal 2023		
	Number of customers	Amount	% of Revenue from Operations	Number of customers	Amount	% of Revenue from Operations	Number of customers	Amount	% of Revenue from Operations	Number of customers	Amount	% of Revenue from Operations
Automotive Sector												
2W	18	3,232.43	69.36	15	5,446.47	72.57	15	4,809.28	71.53	17	4,345.72	72.11
3W	1	282.24	6.06	1	401.07	5.34	1	360.89	5.37	1	440.30	7.31
4W	8	428.28	9.19	8	698.81	9.31	7	556.94	8.28	8	464.28	7.70
CV	5	372.33	7.99	5	350.83	4.67	5	509.00	7.57	5	295.46	4.90
EV	2	56.52	1.21	2	120.79	1.61	2	84.71	1.26	2	116.46	1.93
Sub-Total (A)	**34**	**4,371.80**	**93.80**	**31.00**	**7,017.97**	**93.52**	**30.00**	**6,320.82**	**94.02**	**33.00**	**5,662.22**	**93.95**
Non-Automotive Sector												
Farm and mining equipment	2	33.47	0.72	2	22.66	0.30	2	1.14	0.02	-	-	-
Consumables and durables	1	25.71	0.55	1	54.38	0.72	1	28.21	0.42	1	9.22	0.15
Others[(1)]	1	0.20	Negligible	1	0.10	Negligible	-	-	-	-	-	-
Sub-Total (B)	**4**	**59.38**	**1.27**	**4**	**77.14**	**1.02**	**3**	**29.35**	**0.44**	**1**	**9.22**	**0.15**
Sale of Scrap (C)	**-**	**229.45**	**4.92**	**-**	**409.53**	**5.46**	**-**	**372.99**	**5.55**	**-**	**355.48**	**5.90**
Total (A + B + C)[(2)]	**38**	**4,660.63**	**100.00**	**35**	**7,504.64**	**100.00**	**33**	**6,723.16**	**100**	**34**	**6,026.92**	**100.00**

(1) *Oil Pipe Fitting parts and Oil refinery parts*
(2) *Certain customers operate across multiple vehicle segments and are therefore included in each applicable segment.*

During the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, we have invested ₹161.09 million, ₹538.12 million, ₹491.18 million and ₹374.26 million accounting for 3.46%, 7.17%, 7.31% and 6.21% of our revenue from operations, respectively towards capital expenditure for upgrading our forging, and machining capabilities, which has strengthened our engineering and production competence and enabled us to meet and comply with strict customer specifications. We work closely with OEMs from the design stage, which allows us to align manufacturability, performance and cost targets at an early stage. Our process capability, quality assurance and delivery performance have enabled us to maintain long-standing relationships with our customers, with our top 10 customers having been associated with us for an average of more than 12 years as at September 30, 2025 demonstrating the lasting value and reliability of our service commitment.

Set forth below are the details of revenues earned from our top, top five and top 10 customers, expressed as a percentage of revenue from operations:

(₹ in million, unless stated otherwise)

Customers	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount[(2)]	% of Revenue from Operations	Amount[(2)]	% of Revenue from Operations	Amount[(2)]	% of Revenue from Operations	Amount[(2)]	% of Revenue from Operations
Top customer[(1)]	3,026.39	64.94	5,126.55	68.31	4,592.50	68.31	4,166.88	69.14
Top five customers[(1)]	3,989.30	85.60	6,256.96	83.37	5,587.30	83.11	5,057.15	83.91
Top 10 customers[(1)]	4,264.26	91.51	6,754.42	90.00	5,972.25	88.82	5,383.11	89.32

(1) *The top, top five and top 10 customers have been identified based on their contribution to our total revenue from operations in respective period/ fiscal*
(2) *Excludes revenue generated from sale of scrap*

While deepening our relationships with existing customers, we also remain focused on new customer acquisitions. During the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, we have added 4, 3, 2 and 5 customers, respectively, in India and abroad, thereby expanding our global reach and diversifying our customer base. During this period, we have exported our products to six countries, namely Germany, Hungary, Brazil, Sweden, France and USA. The following table sets forth our revenue from operations in the domestic and international markets for the periods/ years indicated, expressed as a percentage of our total revenue from operations:

(₹ in million, unless stated otherwise)

Market	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Domestic	4,224.44	90.64	7,121.04	94.89	6,252.47	93.00	5,676.36	94.18
International	436.19	9.36	383.60	5.11	470.69	6.99	350.56	5.82
Total	**4,660.63**	**100.00**	**7,504.64**	**100.00**	**6,723.16**	**100.00**	**6,026.92**	**100.00**

As at September 30, 2025, we operated six manufacturing facilities located at Ludhiana, Punjab and Hosur, Tamil Nadu, with an aggregate built-up area of approx. 46,795 square meters. Our manufacturing facilities are strategically located near the delivery locations of some of our customers and suppliers which helps us reduce logistics time and costs, improve operational efficiency, strengthen supply-chain resilience, and allow us to respond to our customers' requirement rapidly. The close clustering of these manufacturing facilities within the state further reduces both freight time and cost as components move sequentially between processes. Further, our in-house logistics capabilities encompassing a fleet of 20 vehicles as at September 30, 2025, are deployed for delivery of products in and around our facilities at Ludhiana and Hosur, as well as for movement of goods between these locations.

We maintain strict quality control across all stages of the manufacturing process through raw material testing, in-process inspection and final product validation to ensure compliance with customer specifications and applicable standards at our manufacturing facilities. Our inspection infrastructure includes coordinate-measuring machines ("**CMMs**"), which measure complex automotive components with micron-level accuracy to verify conformance with design drawings and specified tolerances. Products are examined at each stage so that defects, if any, are identified and addressed before further processing, and only those components that meet prescribed quality parameters are cleared for dispatch. Our quality control processes have ensured that the products we manufacture are satisfactory to our customers' requirements. This level of control has enabled us to achieve a rejection rate of less than 1% for our products, by our customers during the six month period ended September 30, 2025 and last three Fiscals. Our integrated operations support comprehensive manufacturing capabilities in-house, from die design, forging and metallurgical testing to heat treatment, machining and dimensional inspection using CMMs, which facilitate precise measurement and monitoring of micron-level tolerances to ensure components meet required dimensional accuracy.

We have adopted automation in several stages of manufacturing, including the use of robotic systems for welding purposes, to enhance productivity, improve consistency and reduce labour-intensive processes. We integrate environmental, social and governance ("**ESG**") principles into our day-to-day operations, with a focus on resource efficiency, safe workplaces and transparent business practices across our manufacturing facilities. Our Company has also acquired certain key accreditations for our manufacturing facilities such as ISO 14001:2015, ISO 45001:2018 and IATF 16949:2016 reflecting our commitment to comply with requisite standards in product and service quality, and workplace health and safety. For further details on our manufacturing facilities, see "- ***Manufacturing Facilities***" on page 205.

Our Promoters and Directors have played a central role in shaping and expanding our business, enabling us to respond effectively to evolving industry dynamics. Our Promoter, Chairman and Managing Director, Gopal Krishan Kothari, has been associated with our Company since 1983 and provides strategic direction, steering the Company's growth and development. Our Promoter and Executive Director, Amit Kothari, holds a postgraduate diploma in business administration with commendation from the University of Wales, Cardiff, and has been associated with us for over 29 years, responsible for formulating, implementing, and monitoring corporate policies, business strategies, and long-term organisational goals of our Company. Our Whole-time Director, Naveen Behl, has been associated with our Company since 1987 and is responsible for providing strategic direction across production, quality control, research and development and operations. Our workforce comprises of technicians involved in the manufacturing process and support personnel, who contribute to our operational efficiency and support our focus on high-precision, quality-driven manufacturing.

Our revenue from operations increased from ₹6,026.92 million for Fiscal 2023 to ₹7,504.64 million for Fiscal 2025 representing a CAGR of 11.59% and further increased to ₹4,660.63 million for the six month ended September 30, 2025. Our EBITDA increased from ₹500.85 million for Fiscal 2023 to ₹714.97 million for Fiscal 2025 representing a CAGR of 19.48% and further increased to ₹445.61 million for the six month ended September 30, 2025. Our Gross Margin was 42.30% in Fiscal 2023 and increased to 47.18% in Fiscal 2025 and was 45.83% for the six month ended September 30, 2025. Our profit for the year increased ₹138.13 million for Fiscal 2023 to ₹290.15 million for Fiscal 2025 representing a CAGR of 44.93% and further increased to ₹213.57 million for the six month ended September 30, 2025.

The following table sets forth certain financial and operational information of our Company for the period/ years indicated:

Particulars	Unit	September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPIs*					
Revenue from operations (1)	₹ in million	4,660.63	7,504.64	6,723.16	6,026.92
Gross profit (2)	₹ in million	2,135.92	3,540.31	3,075.25	2,549.16
Gross margin (3)	%	45.83	47.18	45.74	42.30
EBITDA (4)	₹ in million	445.61	714.97	647.10	500.85
EBITDA margin (5)	%	9.56	9.53	9.62	8.31
PAT (6)	₹ in million	213.57	290.15	241.26	138.13
PAT margin (7)	%	4.58	3.87	3.59	2.29
ROE (8)	%	11.59	17.81	17.98	12.51
ROCE (9)	%	12.67	18.98	17.80	12.23
Debt/ Total Equity (10)	₹ in million	0.45	0.63	0.83	1.29
Inventory Days (11)	In days	73	89	82	75
Trade Receivable Days (12)	In days	25	24	24	29
Trade Payable Days (13)	In days	49	55	51	48
Cash Conversion Cycle Days (14)	In days	50	59	56	56
Average Net Fixed Asset Turnover Ratio (15)	In times	2.60	4.41	4.71	4.88
Operational KPIs*					
Installed Capacity (MTPA) (16)	In numbers	21,050	40,100	40,100	36,900
Revenue from Automotive Industry (17)	₹ in million	4,371.80	7,017.97	6,320.82	5,662.22
Percentage of revenue from Automotive Industry (18)	%	98.66	98.91	99.54	99.84
Revenue from Non-Automotive Industry (19)	₹ in million	59.38	77.14	29.35	9.22
Percentage of revenue from Non-Automotive Industry (20)	%	1.34	1.09	0.46	0.16
Domestic Revenue (21)	₹ in million	3,994.99	6,711.50	5,879.49	5,320.89
Percentage of revenues from domestic sales (22)	%	90.16	94.59	92.59	93.82
Export Revenue (23)	₹ in million	436.19	383.60	470.69	350.56
Percentage of revenue from exports (24)	%	9.84	5.41	7.41	6.18

* *Certified by Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

Notes:

15. *Revenue from Operations means the revenue from operations for the period / year.*
16. *Gross profit is calculated as revenue from operations minus cost of materials consumed minus (increase)/decrease in inventories of finished goods, stock in trade and work-in-progress.*
17. *Gross Margin is calculated as gross profit divided by revenue from operations*
18. *EBITDA is calculated as profit for the year/ period minus other income plus finance costs, depreciation and amortisation and total income tax expenses.*
19. *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*
20. *PAT means the profit after tax for the year/ period.*
21. *PAT Margin is calculated as restated profit for the year/ period divided by revenue from operations.*
22. *Return on Equity is calculated as restated profit for the period / year divided by total equity.*
23. *Return on Capital Employed is calculated as EBIT divided by Capital Employed. Capital employed is calculated as total equity plus total borrowings while EBIT is calculated as restated profit for the period / year plus total income tax expense plus finance costs.*
24. *Debt/ Total Equity is calculated as total debt (including current and non-current borrowings) divided by total equity.*
25. *Inventory Days is calculated as Average Inventory divided COGS* 365; while COGS is calculated as cost of materials consumed + Purchase of stock in trade + changes in inventories of Finished Goods, Stock in trade and Work In Progress; for H1FY26 Inventory days is calculated as Average Inventory divided by COGS* 183.*
26. *Trade Receivable Days is calculated as Average Receivables/ Revenue from Operations *365; For H1FY26 Trade Receivable days is calculated as Average Receivable divided by Revenue from Operation *183.*
27. *Trade Payable Days is calculated as Average Payables / COGS * 365; For H1FY26 Trade Payable Days is calculated as Average Payable divided by COGS*183.*
28. *Cash conversion cycle is calculated Inventory Days plus Trade Receivable days minus Trade Payable Days.*
29. *Average Net Fixed Assets Turnover Ratio is calculated as revenue from operations for the period / year divided by Average Net Fixed Assets (Property, Plant and Equipment)*
30. *Installed capacity refers to the maximum production capacity of our manufacturing facilities as per the design and technical specifications of the plant and machinery, and as certified by our management/technical consultants, assuming operations under normal working conditions.*
31. *Revenues from automotive industry is revenue derived from sale of product to automotive industry.*
32. *Percentage of revenue (%) from automotive industry is calculated as revenue from sale of products in automotive industry divided by revenue from operation excluding sale of scrap.*
33. *Revenues from non-automotive industry is revenue derived from sale of products to non-automotive industry*
34. *Percentage of revenue (%) from non-automotive industry is calculated as revenue from sale of products in non-automotive divided by total revenue from operation excluding sale of scrap.*
35. *Domestic revenue means revenue from sale of products from domestic sales.*

36. *Percentage of revenue (%) from domestic sales is calculated as revenue from domestic sale of products divided by total revenue from sale of products excluding sale of scrap.*
37. *Exports revenue means revenue from sale of products from export sales.*
38. *Percentage of revenue (%) from exports sales is calculated as revenue from exports sale of products divided by total revenue from sale of products excluding sale of scrap.*

Our Strengths

1. *Long-standing relationships with customers and suppliers with a track record of repeat orders*

We have established long-standing relationships with several OEM and non-OEM customers in the automotive sector. Our customer base has expanded over time and during the last three Fiscals and six month period ended September 30, 2025, we have served 44 customers, including 8 OEMs. We believe that our manufacturing and delivery capabilities and consistent adherence to quality standards are critical to acquiring and retaining customers. Our long association with our customers has helped us understand their evolving requirements and expand our product range accordingly. We have been a key preferred supplier to TVS Motor Company Limited for over three decades, maintaining a strong and long-standing partnership founded on consistent quality and evolving product offerings *(source: CARE Report)*.

Our relationship with our top 10 customers ranges from 2 to 37 years, as set out in the table below:

Sr. No.	Customer Name	Number of years of relationship as of September 30, 2025
1.	TVS Motor Company Limited	37
2.	Customer 2*	20
3.	Honda Motorcycle and Scooter India Private Limited	3
4.	Mahindra & Mahindra Limited	3
5.	Narasipur Auto Components Private Limited	26
6.	Highway Roop Precision Technologies Limited	18
7.	Technico Industries Limited	5
8.	Elkayem Auto Ancillaries Private Limited	7
9.	Customer 9*	2
10.	Customer 10*	2

**Names have not been disclosed due to non-receipt of consents.*

Further, the table below sets forth our revenue from customers, segregated on the basis of the years of relationship with such customers for the period/ years indicated:

(₹ in million, unless stated otherwise)

Period of Customer Relationship	As at September 30, 2025			As at March 31, 2025			As at March 31, 2024			As at March 31, 2023		
	Number of Customers	Amount*	% of Revenue from Operations	Number of Customers	Amount*	% of Revenue from Operations	Number of Customers	Amount*	% of Revenue from Operations	Number of Customers	Amount*	% of Revenue from Operations
More than 25 years	5	3,191.97	72.03	6	5,407.04	76.21	6	4,949.43	77.94	6	4,653.11	82.04
More than 10 years but less than 25 years	8	562.14	12.69	9	671.90	9.47	9	763.34	12.02	9	619.15	10.92
More than five years but less than 10 years	2	42.47	0.96	2	86.46	1.22	3	61.72	0.97	-	-	-
Five years and less	19	634.60	14.32	15	929.72	13.10	12	575.69	9.07	16	399.18	7.04
Total	**34**	**4,431.18**	**100.00**	**32**	**7,095.12**	**100.00**	**30**	**6,350.18**	**100.00**	**31**	**5,671.44**	**100.00**

* *Excludes revenue generated from sale of scrap*

Out of our customers every year, we have a high level of repeat customers which helps us to reduce dependence and de-risk our revenues, as given below:

Particulars	As on September 30, 2025	As on March 31		
		2025	2024	2023
Total number of customers	34	32	30	31
Number of repeat customers	30	29	28	26

Particulars	As on September 30, 2025	As on March 31		
		2025	2024	2023
Percentage of repeat customers (%)	88.23	90.62	93.33	83.87
Revenue from repeat customers (₹ in million)	4,429.59	7,092.41	6,349.03	5,591.41
Revenue from repeat customers as a percentage of total revenue from operations* (%)	99.96%	99.96%	99.98%	98.59%

**Excludes revenue generated from sale of scrap*

We have also been the recipient of awards and accolades from certain of our customers, indicating customer satisfaction and our commitment towards product excellence. For example, we have been awarded "Special Category Award for Best Innovative Kaizen at SIT-CFT Competition" at TVS Supplier Excellence Awards; "Award for Best Supplier – 'Quality Management' at Annual Supplier Convention" organised by Honda Motorcycle and Scooter India; and "Award for Best Quality Supplier at All India Partners Vision Summit" organised by Greaves Electric Mobility. For further details on our recent awards and accolades, see "***History and Certain Corporate Matters – Key awards, accreditations, certifications and recognitions received by our Company***" on page 221.

To support our long-term relationships with our customers and the quality and reliability they require, we maintain a disciplined approach to sourcing and supply chain management. Given our customers' requirements for high-precision products with tight tolerances, we procure steel and other raw materials only from suppliers approved by our customers. This approach ensures transparency and aligns with industry practice effectively while also reinforcing our commitment to quality assurance and long-term trust in every customer relationship.

According to the CARE Report, many OEMs are locked into supply arrangements that span product lifecycles of 5-7 years, reducing the likelihood of new suppliers being considered mid-cycle. Furthermore, suppliers often co-develop components with OEMs at the design stage, embedding themselves deeply into the value chain. Consequently, our Company benefits from high entry barriers *inter alia* due to the capital-intensive nature of our operations, our technical expertise, and stringent quality standards, making us a trusted partner for high-precision and safety-critical components.

We have maintained long-term relationships with key suppliers, which helps ensure consistent availability of quality raw materials and, in turn, supports consistent output quality. Our primary suppliers, including Aarti Steel International Limited, Arora Iron & Steel Rolling Mills Private Limited and VCK Forge are located in close proximity to our manufacturing facilities in Ludhiana, Punjab, enabling efficient and timely supply of critical raw materials and helping us maintain production efficiency, meet delivery timelines and minimize disruptions. For more details on our top suppliers, see "- ***Raw Materials and Suppliers***" on page 209. We have built long-standing relationships with our top 10 suppliers which range from 3 to 32 years, as set out in the table below:

S.No.	Supplier Name	Number of years of relationship as of September 30, 2025
1.	Arora Iron & Steel Rolling Mills Private Limited	24
2.	Aarti Steel International Limited	32
3.	VCK Forge	7
4.	Sunflag Iron & Steel Co. Limited	3
5.	Supplier 5*	8
6.	Supplier 6*	3
7.	Supplier 7*	7
8.	S.K. Nirbhay Steels	4
9.	Supplier 9*	3
10.	Arjas Modern Steel Private Limited	4

**Names have not been disclosed due to non-receipt of consents.*

These long-standing relationships with customers and approved suppliers provide us with a stable demand environment, consistent access to quality raw materials and operational continuity, supporting our positioning as a reliable partner for precision, safety-critical components.

2. Modern manufacturing facilities with in-house design and a sustained focus on enhancing our capabilities

Our Company operates manufacturing facilities equipped with modern machinery for forging and machining as well as for quality inspection, enabling smooth production and quality control. As at September 30, 2025, we operate six manufacturing facilities, with four facilities located at Ludhiana, Punjab and two at Hosur, Tamil Nadu. For the six month period ended September 30, 2025, our aggregate manufacturing capacity was 21,050 MT/A for forged components and 2,59,94,970 pieces per annum for machined components. Our Company also intends to set up two additional manufacturing facilities in Ludhiana, Punjab and a solar power plant in Buttar Bakhua, Punjab, from the Net Proceeds of the Offer. For further details, see "***Objects of the Offer***" on page 91. Over the years, we have been consistently investing significantly in expanding our manufacturing capabilities and facilities which are equipped to undertake a variety of processes, enabling us to manufacture a wide range of products. The table below provides our capital expenditure as a percentage of our revenue from operations for the period/ years indicated:

(₹ in million, unless stated otherwise)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Capital Expenditure	161.09	3.46	538.12	7.17	491.18	7.31	374.26	6.21

Our manufacturing facilities are supported by in-house product engineering capabilities for our precision-forged and machined components. We use Computer-Aided Design (CAD)/ Computer-Aided Manufacturing (CAM) and simulation tools to design and optimise forging dies and machined components along with 3D scanning for validation of such manufactured component, in line with customer specifications and applicable performance and regulatory standards. These capabilities also enable close collaboration with OEMs to develop customised, application-specific components for automotive and non-automotive uses. Our machining operations are supported by an installed base of over 400 CNC machines. Our in-house forging operations are equipped with 11 hammers and 9 power presses of varying capacities, enabling us to forge components ranging from 0.10 kgs to 5.10 kgs in weight, with precision and efficiency. We also maintain in-house heat treatment capabilities, including induction hardening and normalizing, providing control over metallurgical properties and ensuring that components meet required performance parameters.

We monitor key operational and quality metrics such as overall equipment efficiency (OEE), overall rejection rate (ORR) and QCD (Quality, Cost and Delivery) at our Manufacturing Facilities to improve utilisation, reduce defects and maintain delivery performance. As a result of these controls, we have been able to maintain a rejection rate of less than 1% for our products, by our customers during six month period ended September 30, 2025 and last three Fiscals. Our quality monitoring system is anchored by coordinate-measuring machines (CMMs) for high-precision measurement, helping ensure that components meet the dimensional and tolerance requirements specified by our customers. Our quality systems are also subject to regular customer audits. We have also obtained key accreditations for our manufacturing facilities, including ISO 14001:2015 and ISO 45001:2018 for Facility I, Facility II, Facility III, Facility IV and Facility V and IATF 16949:2016 for Facility I, Facility II, Facility III, Facility IV, Facility V and Manufacturing Facility VI. These accreditations demonstrate our adherence to recognized standards for product and service quality, environmental management and occupational health and safety.

Through this strategic and advanced manufacturing footprint, we have been able to maintain our competitive positioning, and sustain long-term relationships with our customers and suppliers.

3. Backward-integrated manufacturing operations enhancing quality and supply reliability

Our manufacturing set-up is characterized by backward integration between forging and machining operations, allowing us to control the value chain from raw material conversion to final assembly. This backward integration is undertaken through our Facility I and Facility IV both located at Ludhiana, Punjab which are equipped to manufacture forged components that are primarily captively consumed for machining and assembly at our Facility III, Facility VI and our Hosur Facilities. As at September 30, 2025, we have supplied approximately 11,587 crankshaft assemblies a day, and 4,909 lower bracket assemblies a day to TVS Motor Company Limited for multiple two-wheeler models. Our proximity to the facilities of our customers combined with synchronized production planning across forging, machining and assembly, enables us to support real-time deliveries and multiple dispatches during the day in line with our customers' just-in-time and line-feeding requirements.

The components manufactured under this backward integration are safety-critical, as they form part of the engine and drivetrain, where failure can affect vehicle performance, reliability and safety. Captive consumption of forgings within our own machining and assembly operations allows us to maintain control over material properties, dimensional accuracy and process parameters across the entire value chain, from forging through heat treatment and machining to final assembly. This backward integration structure supports consistent quality, full traceability, compliance with specifications and reliable delivery schedules for our customers.

Our backward-integrated model is complemented by our in-house logistics capabilities. As at September 30, 2025, we operate a fleet of 20 vehicles for delivery of products in and around our facilities at Ludhiana, Punjab and Hosur, Tamil Nadu, as well as for movement of goods between these locations, with regular trips undertaken. This enables us to support timely deliveries from our manufacturing facilities, reduce dependence on third-party logistics providers and minimise supply chain disruptions.

We believe this backward-integrated structure, supported by in-house logistics, is a key strength of our business. It reduces our dependence on external forging and transport vendors, lowers coordination and lead-time risks, and enables closer alignment of production schedules across forging, machining and assembly. For safety-critical components in particular, the combination of captive forgings, controlled process flow and dedicated logistics enhances customer confidence and reinforces our positioning as a trusted supplier.

4. Product portfolio tailored to customer requirements with the capability to expand product portfolio

With over 37 years of experience in the industry, we have developed a strong understanding of customer and industry practices, which has enabled us to adapt and expand our portfolio in line with evolving requirements. During the six month period ended September 30, 2025, we have supplied a portfolio of 286 products, comprising precision-forged components and safety-critical machined components. Over the years, we have consistently added new products to our range, with 33, 52, 27 and 57 new products introduced during the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively, reflecting our capability to develop application-specific products and respond quickly to customer needs.

Below are our products along with the sectors in which they are used and the application of such products in the mentioned sectors:

Sector	Application	List of Key Products	Key Customers*	Sale quantity (Pieces in million)			
				Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Automotive Sector	2W	Levers and brake pedal parts, Crank shaft, crank shaft assembly, lower brackets assembly, lever kick starter assembly, brake pedal assembly, gear shift lever assembly, toolbox, swing arm assembly, and other parts	TVS Motor Company Limited, Honda Motorcycle and Scooter India Private Limited, Elkayem Auto Ancillaries Private Limited, Narasipur Auto Components Private Limited, Bajajsons Limited	14.99	24.68	21.94	21.65
	3W	Crankshaft and crankshaft assembly and other parts	TVS Motor Company Limited	0.68	0.96	0.93	1.22
	4W	Steering yokes, assembly hinge side door and other parts	Mahindra and Mahindra Limited, Technico Industries Limited and Highway Roop Precision Technologies Limited	3.42	6.37	5.44	4.59
	CV	Joint fork, forging housing, splined shaft, catwalk clamp and other parts	-	1.24	1.70	2.24	1.28
	EV	Front fork T sterm, bracket shock absorber forging, front fork T stem assembly	-	0.30	0.63	0.33	0.19
Non-Automotive Sector	Consumables and durables	Refrigerator compressor shaft	-	0.44	0.95	0.53	0.34
	Farm and mining equipment	Crankshaft and crankshaft assembly, tool holder, hammer, quick change bar and duck foot bet and other parts	-	0.04	0.04	Negligible	-
	Others**	Charge case, disposable sub,	-	Negligible	Negligible	-	-

Sector	Application	List of Key Products	Key Customers*	Sale quantity (Pieces in million)			
				Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
		tee mechanical upper					

*Names of other customers have not been disclosed, in view of confidentiality obligations
** Others include Oil pipe fitting and oil refinery parts

For a detailed description of our product portfolio, see "–

***Our* Products**" on page 202.

The table below sets forth our revenue from sale of our key-products, expressed as a percentage of revenue from operations for the periods/ years indicated:

(₹ in million, unless stated otherwise)

Products	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount*	% of Revenue from Operations	Amount*	% of Revenue from Operations	Amount*	% of Revenue from Operations	Amount*	% of Revenue from Operations
Crank Shaft and Crank Shaft Assembly	2,111.60	47.65	3,434.46	48.41	2,816.83	44.36	2,323.06	40.96
Levers and Brake Pedals	525.97	11.87	909.28	12.82	839.70	13.22	808.57	14.26
Lower Bracket and Lower Bracket assembly	520.14	11.74	875.62	12.34	863.89	13.60	875.32	15.43
Steering Yokes	522.26	11.79	574.77	8.10	647.78	10.20	532.25	9.38
Others	751.21	16.95	1300.98	18.34	1181.97	18.61	1132.25	19.96
Total	**4,431.18**	**100.00**	**7,095.11**	**100.00**	**6,350.17**	**100.00**	**5,671.45**	**100.00**

* *Excludes revenue generated from sale of scrap*

We believe that our breadth of products across multiple categories, combined with our ability to manufacture precision-forged and safety-critical machined components, strengthens our position and deepens our relationship with our customers and their evolving needs and facilitates entry into new applications and end-use sectors, therefore diversifying our revenue stream.

Beyond our existing steel-based inventory, we are also building capabilities to expand into lightweight aluminium forged and machined components, leveraging our existing forging and machining infrastructure. According to the CARE Report, regulatory pressure on emissions reduction, energy efficiency and sustainability is accelerating the shift toward lightweight components across end-use industries. With growing emphasis on fuel efficiency and stricter emission norms, automakers are demanding lightweight yet durable components. We believe our established precision forging and machining capabilities, combined with our long-standing OEM relationships, position us well to address this evolving demand and further broaden our product portfolio.

5. Consistent track record of financial performance and strong financial position

We have a track record of sustained growth in revenue and profitability. Our product capabilities, quality control measures and loyal customer base have enabled us to maintain strong financial performance. We have demonstrated a track record of healthy financial performance over the six month period ended September 30, 2025 and the past three Fiscals, as evidenced by our consistent revenue growth and stable profitability metrics. We have been able to manage costs effectively and maintain disciplined capital allocation, which has supported our business growth and operational resilience.

Our continued focus on efficiency and productivity improvements and cost rationalization have enabled us to deliver better financial performance. Our EBITDA has increased from ₹500.85 million in Fiscal 2023 to ₹714.97 million in Fiscal 2025**.** The following table sets forth certain financial information for our Company for the period/ years indicated:

(₹ in million, unless stated otherwise)

Particulars	Six month period ended September 30, 2025	Fiscal			CAGR (%) (FY2023-FY2025)
		2025	2024	2023	
Revenue from Operations (₹ million)	4,660.63	7,504.64	6,723.16	6,026.92	11.59

Gross Profit (₹ million)	2,135.92	3,540.31	3,075.25	2,549.16	17.85
Gross Margin (%)	45.83	47.18	45.74	42.30	-
EBITDA (₹ million)	445.61	714.97	647.10	500.85	19.48
EBITDA Margin (%)	9.56	9.53	9.62	8.31	-
PAT (₹ million)	213.57	290.15	241.26	138.13	44.93
PAT Margin (%)	4.58	3.87	3.59	2.29	-

Our revenue from operations represented a CAGR of 11.59% from Fiscal 2023 to 2025. We believe that our sustained financial performance positions us well to pursue our strategic objectives, withstand fluctuations in market conditions and capitalize on growth opportunities in our industry. Our Company's long-term bank facilities are domestically rated by CARE Ratings Limited as CARE A- Stable and our short-term bank facilities are domestically rated by CARE Ratings Limited as CARE A2+. For reconciliation in relation to the financial information included in the table above, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 328.

6. ***Experienced Promoters, Directors, Key Managerial Personnel and Senior Management team and a skilled workforce***

We benefit from an experienced management team with knowledge of the precision components manufacturing industry, spanning operations, business development and customer relationships. Our Promoter, Chairman and Managing Director, Gopal Krishan Kothari, has been associated with our Company since 1983 and provides strategic direction while overseeing the overall performance of our Company. Our Promoter and Executive Director, Amit Kothari, holds a Postgraduate Diploma in Business Administration with Commendation from the University of Wales, Cardiff, and has been associated with us for over 29 years overseeing the export division and domestic and international marketing. Their strategic vision and hands-on involvement have been pivotal to our growth and success to date. Our Board of Directors includes Whole-time Director, Naveen Behl, who has been associated with our Company since 1987 and is responsible for administration and operations, as well as Independent Directors, including Jatender Kumar Mehta, who has over 40 years of experience in the automobile components industry. Our Promoters are supported by a professional management team with significant industry experience, which plays a key role in formulating and executing our business strategies, integrating processes and technologies, and driving operational efficiency. Our senior management team complements our Promoters' experience, with most members having over two decades of experience in our industry and some possessing more than three decades of industry expertise. Their collective knowledge and leadership enable us to manage our business effectively and implement our expansion strategy in a scalable and sustainable manner. For further details, see "***Our Management - Key Managerial Personnel***" and "***Our Management – Senior Management***" on pages 238 and 238, respectively.

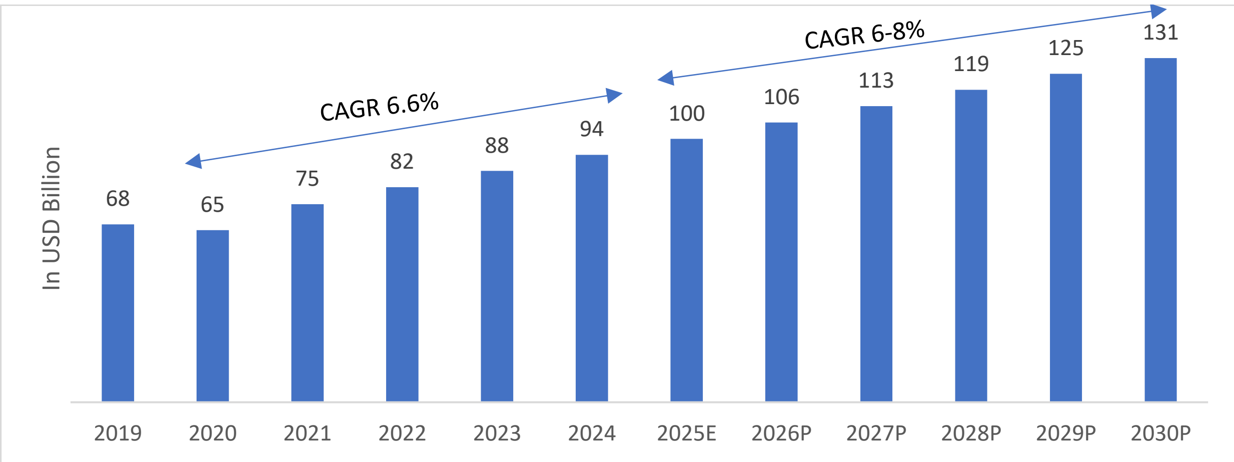
As at September 30, 2025, we had 3,469 employees, including skilled employees and unskilled labour. This depth of experience and workforce stability contributes to institutional knowledge, operational continuity and consistent product quality. Our attrition rate of staff for six month period ended September 30, 2025, Fiscals 2025, 2024 and 2023 was 29.81%, 50.88%, 47.34% and 49.97%, respectively. For further details, see "***Our Management***" and "***– Human Resources***" on page 228 and 211.

Our Strategies

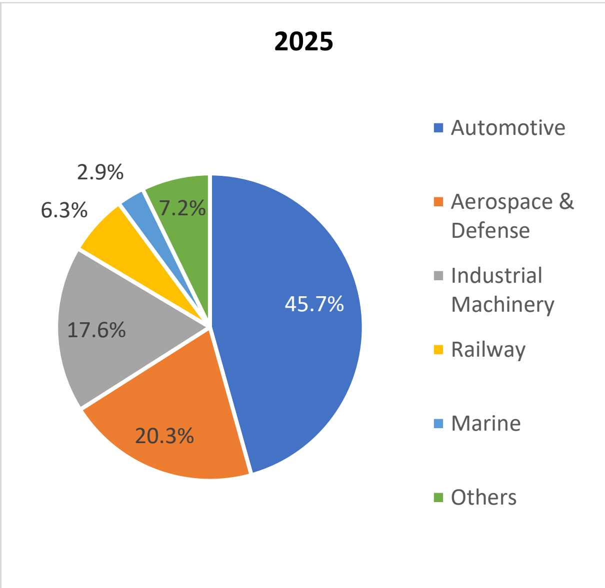
1. ***Capitalize on industry tailwinds through proposed expansion***

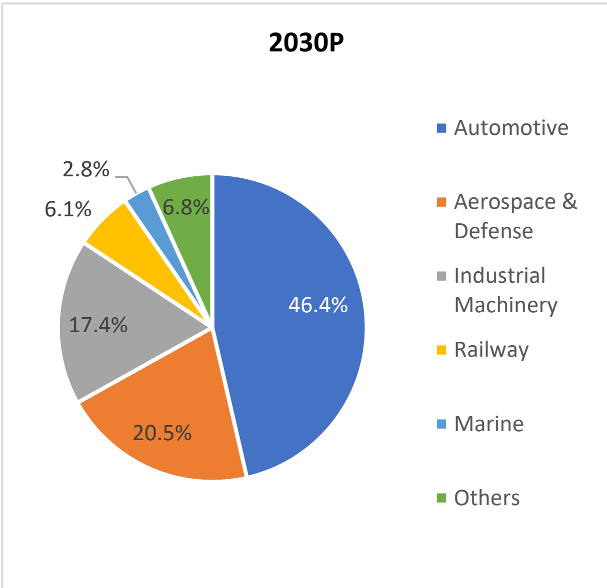
As at September 30, 2025, we operated six manufacturing facilities, comprising four facilities in Ludhiana, Punjab and two facilities in Hosur, Tamil Nadu, with an aggregate built-up area of approx. 46,795 square meters. Over the years, we have expanded and upgraded our manufacturing capabilities and intend to continue doing so to meet anticipated demand from existing and new customers. As part of our growth strategy and to support the expansion of our manufacturing footprint, we propose to utilize a portion of the Net Proceeds towards financing the capital expenditure requirements for (i) setting up the Proposed Forging Facility in Ludhiana, Punjab, on parcel of land admeasuring approx. 4,981.92 square meters, owned by our Company; and (ii) setting up the Proposed Machining Facility in Ludhiana, Punjab, on parcel of land admeasuring approx. 3,620 square meters located at Plot No. C-2, Focal Point, Phase-1, Ludhiana, Punjab - 141010, India which is owned by us. For further details, see "***Objects of the Offer – Utilization of Net Proceeds***" on page 92. These proposed facilities are intended to augment our forging and machining capacities and support the manufacture of additional precision-forged and safety-critical machined components, and enable us to cater to increased demand and new product requirements from both existing and potential customers by enhancing our installed capacity for our forged and machined components. Once these facilities are set up (i.e., Proposed Forging Facility and Proposed Machining Facility) and commissioned, our annualized forging capacity would increase by 16,800 MT/A and our annualized machining capacity would stand increased by 2,894,000 pieces per annum.

Such expansion is supported by favorable industry tailwinds, including the growth of the global forging industry, which, according to the CARE Report was valued at USD 68 billion in 2019 and is estimated to have reached USD 100 billion by 2025, growing at a CAGR of 6.6% during this period. Going further, the market is projected to expand further to USD 131 billion by 2030, reflecting a CAGR of 6-8% over 2025–2030.



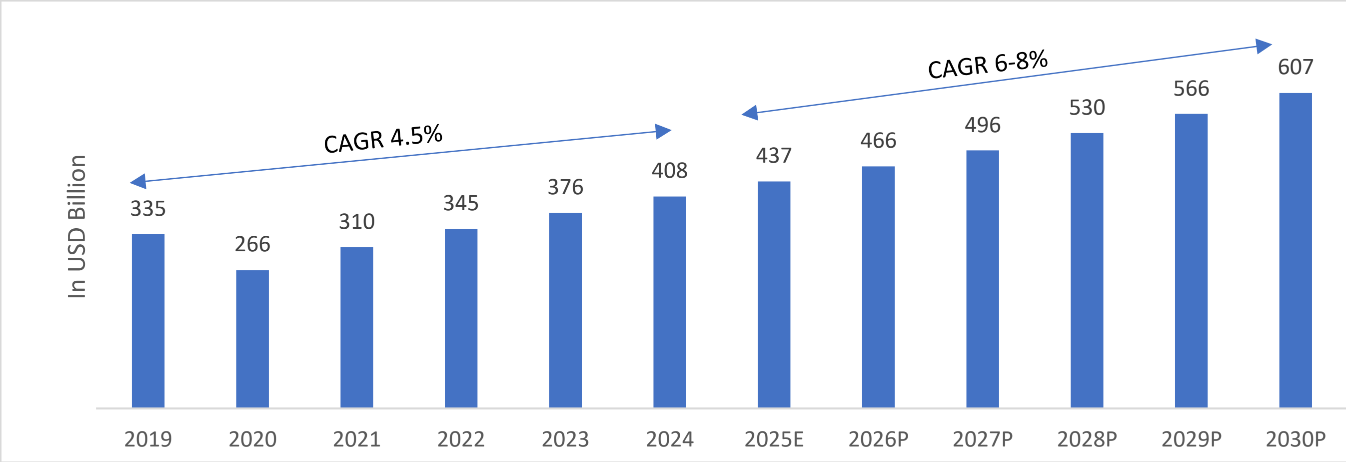
In 2025, the automotive sector leads global forging demand with a 45.7% share, significantly outpacing other segments such as aerospace & defense (20.3%) and industrial machinery (17.6%). This dominance highlights the automotive sector's faster growth pace compared to other segments, driven by its high-volume requirements and the essential role of forged components in engines, transmissions and structural parts. By 2030, the automotive sector's share is projected to rise modestly to 46.4%, highlighting its continued growth momentum *(source: CARE Report)*. This increase reflects sustained demand from internal combustion vehicles and an expanding need for forged components in electric vehicles, including lightweight and high-precision parts. In contrast, aerospace & defense is expected to maintain a steady share of 20.5%, supported by growing aircraft production and higher defense spending, though at a slower pace relative to automotive. *(source: CARE Report)*



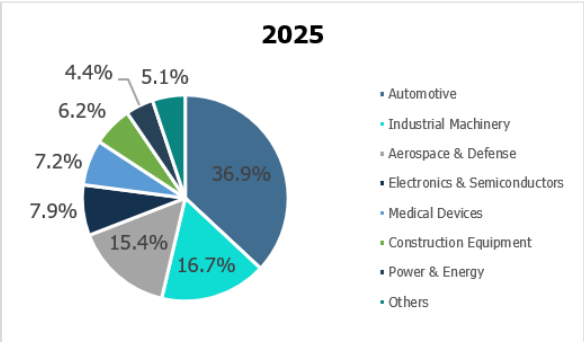


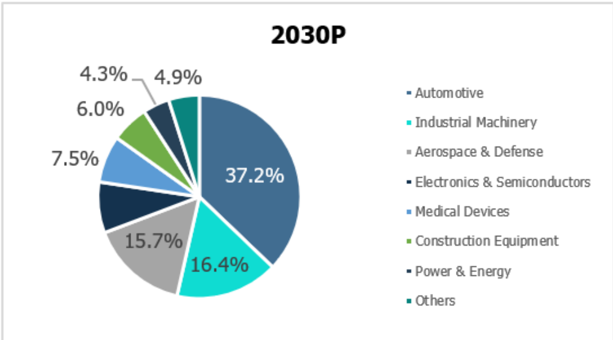
Source: Imarc Group, CareEdge Research

According to the CARE Report, the global machining industry is expected to witness an accelerated growth trajectory going forward, projected to expand at a CAGR of 6–8% between 2025 and 2030.



The global machining industry remains heavily tilted towards the automotive sector, which is projected to grow from 36.9% in 2025 to 37.2% by 2030. This increase highlights the automotive segment's faster pace of growth compared to other sectors, driven by a consistent demand for machined components in both ICE and electric vehicle platforms. The surge in high-precision parts for EV drivetrains and lightweight assemblies further accelerates this growth, highlighting the sector's dynamic contribution to the overall market.





Source: Imarc Group, CareEdge Research; P: Projected

According to the CARE Report, India is emerging as a critical player in the global automotive landscape, driven by its growing manufacturing base and rising domestic demand. With strong government support through initiatives like PLI schemes and a skilled engineering workforce, India is positioning itself as a hub for both traditional and next-gen mobility solutions, contributing significantly to global supply chains and innovation.

We believe that once the proposed facilities are operational, the expansion is expected to (i) enhance economies of scale and operating efficiency, (ii) enable us to serve a larger customer base, and (iii) enhance production capacity. This strategic expansion reflects our commitment to aligning production with evolving industry demand and strengthening our competitive position in both domestic and international markets.

2. ***Foraying into lightweight aluminium forged and machined components***

The increasing adoption of lightweight materials such as aluminium alloys, titanium, magnesium alloys and advanced composites is a key structural driver for the global precision parts market. These materials are progressively replacing conventional steel in applications where weight reduction, performance efficiency and lifecycle optimization are critical. Compared to steel, lightweight materials offer a significantly higher strength-to-weight ratio, enabling manufacturers to reduce component mass without compromising structural integrity. This is particularly important in automotive, aerospace, refrigeration, agriculture and industrial equipment, where lower weight directly translates into improved energy efficiency, reduced fuel or power consumption and enhanced system responsiveness. *(source: CARE Report)*

According to the CARE Report, regulatory pressure on emissions reduction, energy efficiency and sustainability is accelerating the shift toward lightweight components across end-use industries. As OEMs redesign systems to meet stricter efficiency norms and performance benchmarks, the demand for precision-engineered lightweight components continues to rise, reinforcing long-term growth opportunities in the precision parts market.

We intend to leverage our existing forging and machining capabilities to diversify into lightweight forged and machined components, with a focus on aluminium. In the automotive sector, aluminium components can help reduce overall vehicle weight, improve fuel efficiency and support compliance with emission norms, including in electrified platforms where weight reduction is critical to range and performance.

Over time, we may also explore opportunities for developing aluminium-based components that are powertrain-agnostic, enabling us to serve both internal combustion engine and electric vehicle platforms by applying our existing precision forging and machining expertise. We believe that this will enable us to broaden our product portfolio, address growing demand for lightweight solutions across our end-use sectors and enhance our competitive position.

3. ***Leverage our industry-leading capabilities by continuing to strengthen relationships with existing customers, diversifying our customer base and increasing penetration and wallet share with existing customers by entering new segments.***

We leverage our industry capabilities to strengthen relationships with existing customers, diversify our customer base and increase wallet share by expanding into new segments. As of September 30, 2025 and as at March 31, 2025, 2024 and 2023, customers who have been associated with us for more than ten years contributed 84.72%, 85.68%, 89.96% and 92.96% to our revenues from operations, respectively. We are focused on delivering quality products and services in a cost effective and timely manner to our customers to establish ourselves as a trusted supplier. During the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, we have added several new customers including Mahindra and Mahindra Limited and Honda Motorcycle and Scooter India Private Limited. We intend to continue expanding our customer base by leveraging our relationship with our existing customers in India and globally, while simultaneously pursuing opportunities to establish new customer relationships. We aim to continue to maintain our strong track-record of repeat orders from our existing customers as well as expand and strengthen our relationships as part of our organic growth efforts.

While we primarily cater to the automotive sector, we have been looking to expand in the non-automotive sector and have started supplying to customers in the agricultural, mining and consumable and durables industries over the past few years. Further, our customer base in the non-automotive sector increased from one customer during Fiscal 2023 to five customers served during September 30, 2025 with one, one, two and one new customers added during the six month ended September 30, 2025, Fiscals 2025, 2024 and 2023, respectively. By leveraging our experience of manufacturing components for the automotive sector, we also intend to manufacture other parts and components for a variety of other segments.

As per the CARE Report, China dominates the global manufacturing of auto components. However, the wind is shifting toward other Asian nations, including India, due to higher market potential and the availability of low-cost manufacturing options. We also seek to capitalise on global supply chain diversification trends, supported by favourable government initiatives encouraging localisation of manufacturing and capacity expansion. We intend to capitalise on this and increase our customer base. We also intend to target new business from global customers who were earlier importing from China and Europe, as well as new business from the global counterparts of our existing customers.

Product innovation remains integral to our growth strategy, driven by a focus on quality, cost efficiency, timely delivery and innovation. By aligning our product development with OEM innovation cycles, enhancing value addition through improved component and assemblies, and responding to evolving industry trends such as electrification, lightweighting and sustainability, we aim to deepen customer relationships, strengthen our competitive position and support long-term organic growth.

4. ***Reduce our operating costs, improve operational efficiencies and deploy new technologies***

We aim to offer quality products at optimal prices to our customers and believe this will enable us to maintain our long-term relationship with customers. Our manufacturing facilities are equipped with modern equipment and machinery, including robotics equipment like robo welding machines that enable us to produce quality products and help minimise the number of employees required to operate them, thereby reducing costs. We intend to continue enhancing our operational efficiencies, and exploit economies of scale, by better absorbing our fixed costs, while also reducing other operating costs to strengthen our competitive position. We also intend to leverage our manufacturing capabilities to transition from a forging led player to a leading manufacturer of machined components in India.

Further, we have started forging a few of our products in-house by installing new machinery such as the Automatic Rolling Machine. Cost optimisation is also in process through the reduction of packaging and transport costs by looking for alternative logistical providers. Furthermore, we propose to set up, from the Net Proceeds, a solar power plant at Buttar Bakhua in Punjab to ensure continuous electrical supply to our manufacturing facilities in Ludhiana while further reducing our operating costs. For further details, see “***Objects of the Offer***” on page 91. We aim to continue using a variety of manufacturing and cost reduction strategies to improve our operational efficiencies and capacity utilisation. We have invested in our manufacturing facilities, infrastructure, machines, equipment and technology to allow us to offer a diverse product portfolio, reduce operating costs and drive productivity and scale of our business. We intend to leverage our size and scale to produce greater volumes of products from each of our existing and upcoming manufacturing facilities and spread our fixed costs.

5. ***Expanding our global business footprint***

While strengthening relationships with existing international customers, we remain focused on broadening and diversifying our customer base. We believe that continued new customer acquisition, alongside deeper engagement with existing customers, will help de-risk our revenue profile and improve capacity utilisation and improve margins on operating level. As of six month period ended September 30, 2025 and last three Fiscals, our total export revenue has been ₹ 436.19 million, ₹ 383.60 million, ₹ 470.69 million and ₹ 350.56 million, respectively.

We also plan to increase our business footprint through increasing exports by tapping into the growing international demand for precision-forged and safety-critical machined components. The production and demand for auto components remain closely linked to global vehicle production. As per the CARE Report, China dominates the global manufacturing of auto components. However, the wind is shifting toward other Asian nations, including India, due to higher market potential and the availability of low-cost manufacturing options.

As per the CARE Report, India is among the world's largest forging hubs, supported by cost competitiveness, a strong base of forging clusters (notably in Tamil Nadu, Punjab and Maharashtra), and established linkages with both domestic OEMs and global supply chains.

To capitalize on this, we have been focusing on markets in regions like Europe, North America and South America. Between Fiscal 2023 and Fiscal 2025, we have supplied products to six customers in countries, namely Hungary, Sweden, Germany and France, with a minor footprint in USA and Brazil as well. Exports presently contribute a smaller portion of our revenue from operations, and we intend to increase this share by strengthening relationships with existing overseas OEM customers and onboarding new customers in selected geographies. The table below sets forth our region-wise revenue from outside India, for the periods/ years indicated:

(₹ in million, unless stated otherwise)

Country	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from Exports (in ₹)	% of Revenue from Operations	Revenue from Exports (in ₹)	% of Revenue from Operations	Revenue from Exports (in ₹)	% of Revenue from Operations	Revenue from Exports (in ₹)	% of Revenue from Operations
Hungary	328.37	7.05	255.40	3.4	375.11	5.58	209.49	3.48
France	74.15	1.59	103.76	1.38	94.45	1.40	141.07	2.34
Germany	33.40	0.72	22.99	0.31	0.87	0.01	-	-
Sweden	0.07	Negligible	1.22	0.02	0.26	Negligible	-	-
Brazil	-	-	0.12	Negligible	-	-	-	-
USA	0.20	Negligible	0.11	Negligible	-	-	-	-
Total	**436.19**	**9.36**	**383.60**	**5.11**	**470.69**	**6.99**	**350.56**	**5.82**

According to the CARE Report, India is emerging as a critical player in the global automotive landscape, driven by its growing manufacturing base and rising domestic demand. With strong government support through initiatives like PLI schemes and a skilled engineering workforce, India is positioning itself as a hub for both traditional and next-gen mobility solutions, contributing significantly to global supply chains and innovation. These factors are encouraging localisation of critical components, capacity expansion and technological upgradation, and are positioning India as a hub for both conventional and next-generation mobility solutions, integrated into global supply chains. We intend to capitalise on this environment by increasing our customer base, including targeting new business from global customers who have historically sourced components from China and Europe, as well as pursuing opportunities with the overseas operations of our existing customers.

During the six month period ended September 30, 2025, Fiscals 2025, 2024 and 2023, we served 5, 4, 3 and 2 international customers respectively, reflecting our expanding global customer base and continued focus on strengthening international relationships. We believe that significant cross-selling opportunities exist, allowing us to offer the same products to additional locations of our existing customers, supported by our long-standing relationships and established manufacturing capabilities.

To support our export expansion strategy, we invest in digital marketing and also participate in international exhibitions to showcase our capabilities, engage with overseas buyers and benchmark our products against global standards. For further details, see "- ***Sales and Marketing***" on page 211. We also maintain memberships in organisations such as ACMA, Young Presidents' Organisation (YPO), the Engineering Export Promotion Council (EEPC) and the Federation of Indian Export Organisation (FIEO), enhances our networking strength. These associations connect us with industry leaders, entrepreneurs and decision-makers worldwide, fostering collaborations and opening new avenues for international business growth. Together, these initiatives reflect our approach to marketing and business development, and are intended to ensure that we remain visible, connected and competitive in the global marketplace.

We believe that increasing our exports will support diversification of our revenue base and reduce dependence on the domestic market. A wider geographical presence is also expected to mitigate the impact of economic or demand slowdowns in any single region. In addition, we see opportunities to cross-sell by supplying the same or related components to additional locations and overseas operations of our existing customers, leveraging our long-standing relationships and established manufacturing capabilities.

6. ***Driving sustainable performance through environmental, social and governance (ESG) practices***

We are committed to conducting our business in a responsible manner and integrating ESG considerations into our day-to-day operations and long-term decision making. According to the CARE Report, regulatory pressure on emissions reduction, energy efficiency and sustainability is accelerating the shift toward lightweight components across end-use industries. As a supplier to OEMs, our ability to demonstrate credible ESG practices, particularly on carbon and energy efficiency is increasingly relevant to our long-term competitiveness and customer relationships. Our approach is guided by internal policies, applicable regulations and customer expectations, with a focus on resource efficiency, safe workplaces and transparent business practices across our manufacturing facilities.

We are pursuing our ESG commitments through the following specific initiatives:

Renewable energy and carbon reduction: We have installed solar panels at our Facility VI in Ludhiana, Punjab, which partially meets our energy requirements and supports a cleaner and more reliable electricity supply at that facility. We are also proposing to set up a dedicated Solar Power Plant at Buttar Bakhua, Punjab, from the Net Proceeds of the Offer, which is intended to reduce our power and fuel costs, optimize resources and lower our carbon footprint on an ongoing basis. For further details, see "***Objects of the Offer***" on page 91.

Resource efficiency and waste reduction. We follow a "*Reduce, Reuse and Recycle*" approach across our manufacturing facilities, supported by process improvements to lower energy consumption, measures to increase reuse and recycling of materials and efforts to reduce scrap and emissions from our operations. We have also implemented water-conservation measures, including initiatives to reduce wastage and the adoption of rainwater harvesting systems at our manufacturing facilities.

Catering to EV and next-generation mobility platforms. We currently supply precision-forged and machined components to manufacturers of electric vehicles. Our revenue from the EV segment was ₹56.52 million, ₹120.79 million, ₹84.71 million and ₹116.46 million in the six month period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively. As EV penetration in India's two-wheeler segment grows, we believe our established precision manufacturing capabilities and existing OEM relationships position us well to increase our content per vehicle across electrified platforms.

We place emphasis on the health, safety and well-being of our employees and contract workers. This includes adherence to safety procedures on the facility floor, provision of appropriate protective equipment and regular training on occupational health and safety. Our Facility I to Facility V hold ISO 14001:2015 and ISO 45001:2018 accreditations, reflecting our commitment to recognized environmental and occupational health and safety management standards.

Looking ahead, we intend to further strengthen our ESG profile by continuing to invest in cleaner and more efficient manufacturing technologies, reinforcing our safety and training programs and progressively working towards measurable carbon reduction targets across our operations and supply chain. For further details, see "***- CSR and ESG Initiatives***" on page 363.

Business Operations

We manufacture and supply a range of precision-forged components and safety-critical machined components with low tolerances (as low as 2 to 20 microns) supplied to our customers in the automotive sector. Beyond the automotive sector, we also cater to OEMs in the non-automotive sector, supplying farm and mining equipment and consumables and durables. Our key products include crankshaft and crankshaft assemblies, connecting rods, lower bracket assemblies, lever kick-starter assemblies, gear-shift lever assemblies, steering yoke, door hinge assembly, propeller shaft, and catwalk clamp that are utilized in applications such as engine, transmission suspension, braking, and chassis for 2W, 3W and 4W, and CV in the automotive sector. We also supply crankshaft assembly (grass cutter machine) and tool holder (mining machine) to non-automotive sectors such as farming and mining, and refrigerator compressor shaft for use in refrigerators. The tables below set forth a summary of our revenue from operations by product category for the period indicated:

(₹ in million, unless stated otherwise)

Particulars	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of total revenue from operations	Amount	% of total revenue from operations	Amount	% of total revenue from operations	Amount	% of total revenue from operations
Forged Components	375.50	8.06	669.34	8.92	703.84	10.47	763.06	12.66
Machined Components	4,055.68	87.02	6,425.76	85.62	5,646.34	83.98	4,908.38	81.44

Sale of Scrap	229.45	4.92	409.53	5.46	372.99	5.55	355.48	5.90
Total	**4,660.63**	**100.00**	**7,504.64**	**100.00**	**6,723.16**	**100.00**	**6,026.92**	**100.00**

For further details of the products we manufacture for various sectors, see "***– Our Strengths – Product portfolio tailored to customer requirements with the capability to expand product portfolio***" on page 193. We manufacture products with a weight range of 0.10 kilogram to 5.10 kilogram for applications such as two-wheeler engines, three-wheeler engines, select non-automotive applications, etc. The tables below set forth a summary of products by their gross weight and their corresponding revenue contribution in the years indicated:

(₹ in million, unless stated otherwise)

Range of Products in terms of their weight	**Six month period ended September 30, 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**% of total revenue from operations***	**Amount**	**% of total revenue from operations***	**Amount**	**% of total revenue from operations***	**Amount**	**% of total revenue from operations***
Less than 2.50 kilograms	3,047.95	65.40	5,037.68	67.13	4,225.01	62.84	4,243.48	70.41
Between 2.50 kilograms to 5.10 kilograms	1,383.23	29.68	2,057.42	27.42	2,125.16	31.61	1,427.97	23.69
Total	**4,431.18**	**95.08**	**7,095.10**	**94.55**	**6,350.17**	**94.45**	**5,671.45**	**94.10**

**Excludes revenues generated from sale of scrap*

Our Products

Details of some of the key products we manufacture are as follows:

Crankshaft and Crankshaft Assembly:

A crankshaft is a critical engine component that converts the reciprocating motion of the pistons into rotational motion, enabling the movement of a vehicle's wheels or the operation of machinery. It is generally manufactured from forged alloy steel to meet strength and durability. Crankshafts are designed to endure torsional and bending forces generated during engine operation, ensuring performance and safety standards.

They are inspected at multiple stages, including dimensional tolerances, straightness and profile using CMMs and dedicated gauges to ensure proper fitment with bearings, connecting rods and associated engine components. Run-out and journal alignment are checked to limit vibration and uneven loading. Material composition and hardness are tested through spectrometers and hardness testers to confirm strength, and wear characteristics. Non-destructive testing techniques such as Magnetic Particle Inspection (MPI) and/ or Ultrasonic Testing (UT), as applicable, are applied at fillets and critical areas to identify cracks or other defects at an early stage. These measures help ensure that the component meets customers' requirements and applicable industry standards. Such crankshafts are for applications such as two-wheeler engines, three-wheeler engines and select non-automotive applications.

Steering Yoke:

The steering yoke in a four-wheeler is a structural component in the steering system that transmits motion from the steering gear to the steering linkage, enabling directional control of the vehicle's wheels. It is designed to ensure accurate transfer of steering input to the road wheels with minimal play, while maintaining mechanical strength and dimensional.

Four-Wheeler Door Hinge Assembly:

The door hinge assembly in a four-wheeler is a structural and functional component that connects the door to the vehicle body, enabling controlled pivoting for opening and closing. It is designed to maintain door alignment, ensure proper sealing, supporting vehicle safety requirements and contributing to the long-term durability of the door system.

To ensure compliance with OEM specifications and industry standards, door hinge assemblies undergo dimensional inspection using CMMs, gauges and fixtures. Metallurgical and hardness testing is performed to verify material properties and surface treatments. Where applicable, functional checks are conducted using a torque tester to assess opening–closing performance and wear over repeated cycles. These measures help ensure reliability, safety and durability under operating conditions. We manufacture door hinge assemblies for applications such as passenger vehicles, SUVs and light commercial vehicles.

Three-Wheeler Propeller Shaft:

The propeller shaft (also referred to as the drive shaft) in a three-wheeler is a mechanical component that transmits rotary motion and torque from the engine or transmission to the rear axle. It is designed to ensure efficient and reliable transfer of engine power to the driving wheels under varying load and operating conditions, while maintaining structural integrity and safety standards.

To comply with OEM specifications and industry norms, propeller shafts undergo multi-stage inspection and testing. Dimensional accuracy, straightness and run-out are verified using coordinate measuring machines (CMMs), gauges and fixtures to minimise vibration and ensure proper alignment. Material properties are evaluated through spectrometers and hardness testers, while non-destructive testing methods such as MPI or UT, as applicable are applied to detect surface or subsurface defects. These measures help ensure smooth torque transmission, low vibration and durability under operating loads. We manufacture propeller shafts for applications such as auto-rikshaws.

Two-Wheeler Gear Shift Lever Assembly:

The gear shift assembly in a two-wheeler is the mechanism that allows the rider to select different transmission ratios, ensuring efficient transfer of engine power to the rear wheel under varying speed and load conditions. It serves as the interface between the rider's foot-operated lever and the internal gearbox components.

To ensure reliability and compliance, gear shift assemblies undergo multi-stage inspection and testing. Dimensional and positional checks for levers, shafts and linkage components to ensure proper engagement with the gearbox. CMMs and gauges are used to verify geometry, while material and hardness testing confirm wear resistance at contact surfaces. We manufacture gear shift assemblies for use in applications such as motorcycles.

Two-Wheeler Lower Bracket Assembly:

The lower bracket assembly in a two-wheeler is a structural element of the front fork steering system that connects the steering stem to the fork tubes and provides lower pivot support for steering. Commonly referred to as the lower triple clamp or bottom yoke in motorcycles, it is critical for maintaining front-end alignment, handling stability and suspension performance.

Lower bracket assemblies are inspected for dimensional accuracy, concentricity and alignment of the steering stem and fork interfaces using CMMs and dedicated jigs. Material composition and hardness are checked using spectrometers and gauges to ensure adequate strength and fatigue resistance, while welds or joints, where present, may be evaluated using appropriate non-destructive methods such as MPI or UT. These controls support stable handling, correct front-end geometry and long-term durability. We manufacture lower bracket assemblies for applications such as motorcycles and scooters.

Two-Wheeler Lever Kick Starter Assembly:

The lever kick starter assembly in a two-wheeler is a mechanical starting system that allows the rider to crank the engine manually using a foot-operated lever. It is commonly used on motorcycles, scooters and mopeds, either as the primary starting method or as a backup to an electric starter.

Lever kick starter assemblies are subjected to dimensional checks on levers, shafts and spline interfaces to ensure proper fitment with the engine and transmission. Material and surface hardness testing help validate strength and wear resistance at pivot and contact points, assess smooth operation and return mechanism performance. We manufacture lever kick starter assemblies for applications such as motorcycles, scooters and mopeds.

Catwalk Clamp:

A catwalk clamp is a mechanical fastening component used to secure catwalk structures such as narrow walkways, platforms or service paths commonly installed on trucks, trailers, industrial plants and construction sites. In the automotive and commercial vehicles, particularly on heavy trucks and trailers, the catwalk is the grated or plated walkway located behind the cab that provides safe access to trailer connections, air lines and maintenance points. The catwalk clamp fixes this platform to the vehicle frame or support structure, helping ensure stability and secure installation.

Catwalk clamps are inspected for dimensional conformity, material grade and coating quality are verified through spectrometric and hardness testing, and welds or critical joints can be checked using suitable non-destructive techniques where required such as MPI or UT. These measures help ensure secure fixation of catwalk platforms and stable performance under static and dynamic loads. We manufacture catwalk clamps for applications such as heavy trucks, trailers and industrial walkways.

Refrigerator Compressor Shaft:

The compressor shaft in a refrigerator is a critical rotating element within the hermetic or semi-hermetic compressor assembly. It transmits mechanical power from the electric motor rotor to the crank mechanism or scroll elements that compress the refrigerant gas. Its design and performance have a direct impact on the efficiency, durability and noise characteristics of the refrigeration system.

Compressor shafts are checked for dimensional tolerances, concentricity and surface finish using CMMs, profile measuring instruments and gauges to ensure proper fit with bearings and crank or scroll elements. Material properties and hardness are tested using spectrometers and gauges to confirm strength, fatigue life and wear resistance under high-cycle operation. Where required, non-destructive testing such as MPI or UT, is used to detect internal or surface defects. We manufacture compressor shafts for use in refrigerators.

Crankshaft Assembly (Grass Cutter Machine):

The crankshaft assembly in a grass cutter (brush cutter) / tree cutter is a key engine component that converts the piston’s linear reciprocating motion into rotary motion to drive the cutting blade or trimmer head. It is engineered for compactness, low weight and high-speed durability to suit the small two-stroke or four-stroke engines typically used in such grass cutting machines.

Crankshaft assemblies for grass /tree cutters are inspected for journal diameters, run-out, balance and overall geometry using CMMs, gauges and balancing equipment. Material composition and hardness are validated using spectrometers and gauges to ensure high-speed durability and resistance to fatigue in small two-stroke or four-stroke engines. Visual and, where required, non-destructive testing such as MPI or UT help detect cracks or surface defects. We manufacture crankshaft assemblies for applications in handheld grass, tree and brush cutter machines.

Tool Holder (Mining Machine):

A tool holder in a mining machine is a specialised mounting component that securely holds and positions the cutting tool, bit or pick used for breaking rock, coal or other minerals during excavation and tunnelling. It forms the interface between the cutting tool and the machine's rotating drum, boom or cutting head, helping ensure correct alignment, stable operation and safe replacement of tools.

Tool holders are subjected to dimensional and positional checks to ensure correct seating and orientation of cutting tools on drums, booms or cutting heads. Material and hardness testing using spectrometers and gauges confirm the ability to withstand impact, abrasion and cyclic loading in mining conditions, while non-destructive testing such as MPI or UT, as applicable may be used to identify cracks or internal defects. These inspections support secure tool retention, consistent cutting performance and safe operation. We manufacture tool holders for applications such as surface miners, continuous miners and other mining equipment.

Manufacturing Facilities

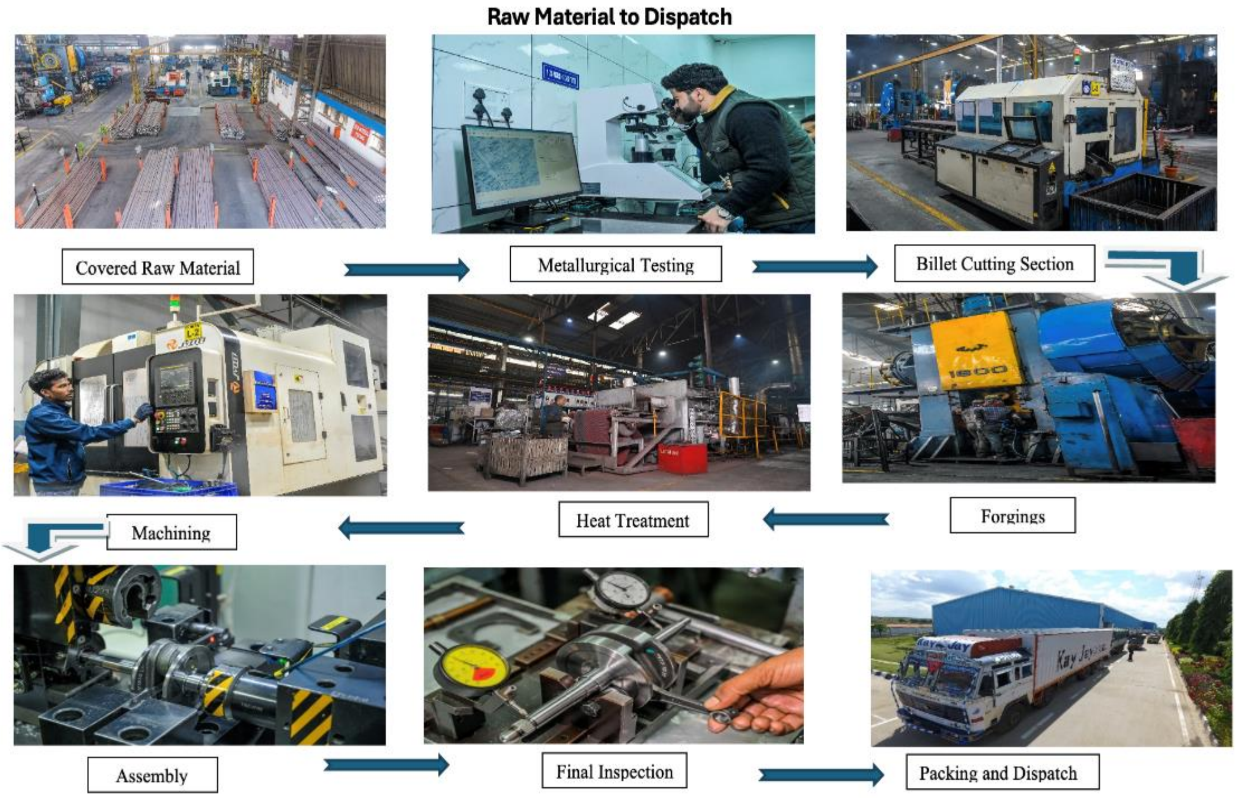
As of the date of this Draft Red Herring Prospectus, we have six operational manufacturing facilities, of which four are located at Ludhiana, Punjab, and two are located at Hosur, Tamil Nadu. The table below sets forth details of our manufacturing facilities:

Facility	Location of the Manufacturing Facility	Manufacturing Capabilities
Facility I	C-3 & C- 4, Focal Point, Ludhiana, Punjab - 141010, India	Bar cutting, forgings and heat treatment of various products like lower bracket, steering yokes, lever kick starter, door hinges, and related items
Facility II	SF/494/2, TVS-Thally Road, Kothagondapalli, Mathigiri, Hosur, Dist. Krishnagiri, Tamil Nadu - 635109, India.	Machining of crankshafts and other related items and assembly lines for crankshaft assembly
Facility III	D-1/E-2/D-12, Focal Point, Ludhiana Punjab - 141010, India	Machining and fabrication of steering yokes, door hinges and other related items
Facility IV	C-20, Focal Point, Ludhiana, Punjab - 141010, India	Bar cutting and press forgings of various crankshafts and other related items.
Facility V	SF no. 339/2, 344/2, Kelamangalam Road, Jonabanda Village Onnalvadi Post, Maithigiri, Dist. Krishnagiri Hosur, Tamil Nadu – 635109, India	Machining of lower bracket and other related items and assembly line for lower bracket assembly, assembly lines for lever kick starter etc.
Facility VI	C-256 & C-257, Focal Point, Ludhiana, Punjab - 141010, India	Machining of crankshafts, lever kick starter, lower bracket, etc. and assembly lines for crankshaft assembly, lower bracket assembly and other related items

As on date of the Draft Red Herring Prospectus, our manufacturing facilities are equipped with around 400 CNC machines and VMC machines, along with an ability to undertake a variety of processes, including engineering and designing, drop and press forging, metallurgical testing, heat treatment, machining, hardening and tempering, robo welding and MIG welding, quality and dimensional testing through CMM, polishing and assembly among others in order to improve our product offering and make our manufacturing process more efficient. For further details, see "***– Our Strengths – Modern manufacturing facilities with in-house design and a sustained focus on enhancing our capabilities***" on page 192.

Our facilities are equipped with modern machinery and majority of our facilities are located close to our key customers to enable us to better meet our customers' just-in-time delivery schedules. At the same time, our customers enjoy better economies of scale and logistical advantages, insulating them from local supply or similar disruptions. Furthermore, our production line configurations are fungible, allowing us to interchange capacity and product mix between product categories within and across automotive and non-automotive sectors, based on customer and operational requirements. The Company also has an in-house tool room facility, which plays a critical role in enabling the company to produce quality dies, precise dimensions, and close tolerances and for certain products, the company has achieved a dimensional accuracy of up to two microns. Additionally, we operate four warehouses strategically located across Haryana, Rajasthan, Gujarat and Karnataka. These locations allow us to position inventory closer to our key customers ensuring efficient storage, seamless logistics, and timely distribution of our products.

Manufacturing Process



Our manufacturing processes, including die design, forging, heat treatment, machining and assembly, are undertaken in-house at our manufacturing facilities. This backward integrated setup enables us to respond to customer requirements and specification changes, maintain quality control at each stage of production, manage costs and manage delivery timelines. Our in-house die design and modern manufacturing infrastructure support the production of high-precision, complex components with tight tolerances.

Forging Operations

Raw material inspection and bar cutting

Forging operations begin with the receipt and inspection of carbon and alloy steel bars. Incoming material is subjected to visual checks for surface defects, dimensional verification against specified tolerances and review of Mill Test Certificates to confirm chemical composition and mechanical properties. Where required, samples are tested in-house or at approved external laboratories. Only material meeting defined criteria are released for production.

Approved bars are then cut into billets of specified length on band saws or shearing machines, based on the net weight, die geometry and allowances for flash and trimming. Consistent billet size helps ensure stable material flow, dimensional repeatability and efficient die utilisation.

Billet heating and forging

Cut billets are heated in gas-fired or induction furnaces to the prescribed forging temperature within a controlled thermal window. Furnace temperature and billet heating are monitored and controlled using calibrated instruments to maintain uniformity and avoid defects such as overheating or excessive de-carbonization.

Heated billets are then forged on hammers, presses using closed-die tools, depending on the part geometry and volume. The forging process shapes the component close to its final form, refines grain structure and improves mechanical properties such as strength, toughness and fatigue resistance. After forging, flash removal and initial cooling are carried out before the parts move to subsequent stages.

Heat treatment, shot blasting and coining

Forged components undergo appropriate heat treatment cycles (such as normalizing, quenching and tempering or annealing) to achieve the specified hardness and microstructure. These cycles are executed in controlled furnaces with defined soak times and cooling media and are monitored through automated temperature control systems. Post heat treatment, hardness and, where required, microstructure are checked against specified requirements. Shot blasting is used to remove scale and surface oxidation, providing a clean, uniform surface suitable for machining, coating and inspection. For select parts, cold coining may be carried out at room temperature to refine profiles, correct minor distortions and achieve tight dimensional tolerances in critical areas.

Non-destructive testing of forgings

For high-stress or safety-critical components, non-destructive testing (such as Ultrasonic Testing or Magnetic Particle Inspection ("**MPI**")) may be performed to detect internal defects including cracks, voids or laminations. Only forgings meeting defined acceptance criteria are cleared for downstream machining and assembly.

Machining Operations

Pre-machining and turning

Machining operations are designed to achieve the final dimensions, tolerances and surface finishes required by customers. The process generally begins with facing and centering to establish accurate reference surfaces and centres. Components are then processed on CNC turning centres to generate outer diameters, shoulders, grooves and other cylindrical features in line with defined tolerances and surface finish requirements.

Milling, drilling and profiling

Subsequent machining operations include milling, drilling and boss machining on CNC machining centres to form mounting features, flats, keyways and other functional geometries required for assembly and load transfer. Datum-based fixtures are used to maintain positional accuracy and relationships between critical features. For parts with complex profiles or stringent tolerance requirements, profiling and, where necessary, profile grinding or other precision finishing operations are carried out to achieve the specified geometry and surface finish.

Spline and thread forming; surface hardening

Wherever applicable, splines and threads are generated by cold-rolling processes rather than by cutting, using hardened rolling dies to plastically deform the surface and form the required profiles. This improves surface integrity, induces beneficial compressive stresses and enhances fatigue strength and durability in service. Critical wear surfaces are then treated by induction hardening, in which localised areas are rapidly heated by electromagnetic induction and quenched, followed by tempering to relieve stresses and adjust hardness. This sequence produces a hard, wear-resistant case with a tougher core, optimising performance under cyclic and impact loads.

Fine boring, burnishing and final finishing

Fine boring is carried out on dedicated boring machines or vertical machining centres using precision boring heads capable of micrometric adjustment. This operation is applied to critical internal diameters such as bearing seats and housings, where tight requirements on size, roundness, cylindricity, taper and positional accuracy relative to datum surfaces must be maintained. Cutting parameters and tool paths are optimised to minimise deflection and achieve the specified surface finish for reliable fitment and load transfer. Selected functional surfaces, such as journals or seating faces, may then be burnished using hardened rollers or balls under controlled pressure to smooth residual tool marks, further refine surface finish and introduce beneficial compressive stresses, thereby improving wear and fatigue performance. Throughout these stages, in-process inspection is performed using plug and air gauges, fixture-based checks and periodic measurements on CMMs to monitor key characteristics and confirm adherence to drawing tolerances and customer specifications.

Non-destructive testing of machined parts

For selected safety-critical components, surface crack detection is carried out using non-destructive testing ("**NDT**") methods such as Magnetic Particle Inspection ("**MPI**") for ferromagnetic parts. In MPI, the component is magnetised and finely milled ferrous particles are applied to reveal surface and near-surface discontinuities, while in DPT, a penetrant, developer and inspection under suitable lighting are used to highlight open-to-surface defects. These tests are performed after key machining and heat-treatment stages and before release to assembly, in accordance with defined procedures and acceptance criteria. Only components meeting specified NDT standards are cleared for further processing, with test records maintained for traceability.

Assembly Operations

Assembly and final inspection

Assembly activities are carried out in a controlled environment using only approved and inspected components. Parts such as crankshaft halves, connecting rods, needle cages, crank pins, bearings, spacers, sprockets and other related items are transferred to the assembly facility after completion of machining, heat treatment and intermediate quality checks. On receipt, these parts are subjected to a final incoming verification for identification, basic dimensions and surface condition before being released to the assembly line.

Assemblies (for example, crankshaft assemblies) are built up through a defined sequence of operations using calibrated presses, jigs and fixtures to ensure repeatability and correct fitment. Typical steps include alignment and joining of crankshaft halves, installation of the connecting rod and bearing arrangements, controlled pressing of crank pins, bearings, spacers and drive elements (such as sprockets or gears), followed by verification of run-out, axial play, end float and free rotation. Critical clearances and interference fits are monitored during the process, and any out-of-tolerance parts are segregated for review.

All assembled units are then subjected to a final inspection (pre-dispatch inspection), which may include checks on critical dimensions, concentricity, torque values, balancing (where specified), visual condition and functional parameters as per customer and drawing requirements. Only assemblies that meet both customer-specified and internal quality criteria are released for rust-preventive treatment, packing and dispatch; non-conforming assemblies are quarantined and analysed under established corrective-action procedures.

Preservation, Packing and Dispatch

Preservation

Following final inspection, assemblies are subjected to a cleaning operation to remove machining residues, dust, fingerprints and other surface contaminants. Depending on the product and customer requirements, this may involve solvent-based cleaning, aqueous washing, air blowing and/or wiping to ensure that functional surfaces are free from foreign matter prior to preservation.

Cleaned components and assemblies are then coated with rust-preventive oils or protective sprays, with particular focus on machined, ground and exposed surfaces that are susceptible to corrosion. In certain cases, volatile corrosion inhibitor (VCI) films, polythene bags or wraps are used in combination with oiling to provide additional protection during extended storage or overseas transit. The preservation method is selected based on the nature of the component, anticipated storage time and the customer's packing specifications.

Packaging and dispatch

After preservation, parts are packed in suitable packaging such as corrugated boxes, wooden crates or palletised units, with internal separators, trays or dunnage used to prevent metal-to-metal contact and damage during handling. Packaging configurations are designed in consultation with customers and logistics providers to optimise cube utilisation, facilitate safe handling (including forklift operations) and comply with any export or customer-specific packing standards. Each pack is labelled with part number, description, quantity, batch/heat number, inspection status and, where required, barcodes or QR codes to support traceability and inventory management.

Packed material is then transferred to the finished goods area, where it is stored under defined conditions and staged for dispatch in line with customer schedules. Dispatch planning is coordinated with our in-house logistics fleet and, where applicable, third-party transporters to align shipments with just-in-time or sequenced delivery requirements. This process is intended to ensure that products reach customer locations in good condition, with the correct documentation, and within agreed delivery timelines.

Installed Capacity, Actual Production and Capacity Utilisation

The information on installed capacity, actual production and capacity utilisation of our products set out below and elsewhere in this Draft Red Herring Prospectus is based on certain assumptions and estimates adopted by our management for the purpose of computing such capacity and has been certified by Deepankar Sharma, independent chartered engineer, by their certificate dated March 30, 2026. Accordingly, undue reliance should not be placed on such capacity or historical capacity utilisation data for our existing manufacturing facilities disclosed in this Draft Red Herring Prospectus. For further details, see "***Risk Factors – An inability to maintain or improve our capacity utilization levels at our manufacturing facilities could have an adverse effect on our business, results of operations, financial condition and cash flows.***" on page 40.

The tables below set forth certain information relating to the installed capacity, available capacity, actual production and capacity utilisation of our forging activities for the period/years indicated:

Products	Particulars	Unit of Measurement	For the six month period ended September 30, 2025*	Fiscal 2025*	Fiscal 2024*	Fiscal 2023*
Forged Components	Installed Capacity	Metric Tons per annum	21,050	40,100	40,100	36,900
	Actual Production	Metric Tons per annum	16,600	30,382	26,765	21,049
	Capacity Utilization	%	78.86	75.77	66.75	57.04
Machined Components	Installed Capacity	No. of Pieces	2,59,94,970	4,23,86,300	3,85,23,914	3,57,86,240
	Actual Production	No. of Pieces	2,11,23,067	3,54,30,541	3,12,34,447	2,92,95,987
	Capacity Utilization	%	81.26	83.59	81.08	81.86

** As certified by Deepankar Sharma, Independent Chartered Engineer, pursuant to certificate dated March 30, 2026.*

Notes:

(1) *The information relating to the installed capacity as of the dates included above is based on various assumptions and estimates that have been taken into account for calculation of the installed capacity.*

(2) *The assumptions and estimates include the standard capacity calculation practice of auto parts manufacturing industry and the following is taken into account:*

  (i) *Number of working days in a fiscal year – 300;*

  (ii) *Number of working days in a month – 25;*

  (iii) *Number of working hours in a day – 22 hours; and*

(iv) *For the six month period ended September 30, 2025, the installed capacity figures represent the proportionate capacity available for six month.*

(3) *The information relating to the actual production as of the dates included above are based on the examination of the internal production record provided by the Company, explanations provided by the management, the period during which the manufacturing facilities operate in a fiscal year expected operations, availability of raw materials, downtime resulting from unscheduled breakdowns, as well as expected operational efficiencies.*

Customers

Our customers comprise OEMs and non-OEMs in domestic and overseas markets, across the sectors in which we operate. We cater to various marquee customers, including TVS Motor Company Limited, Honda Motorcycle and Scooter India Private Limited and Mahindra and Mahindra Limited. We do not operate under firm, long-term agreements that obligate our customers to purchase defined quantities of our products. Sales to most of our customers are governed by short-term purchase orders, even in cases where we have long-standing relationships.

The following tables set forth details of our revenue from sale of products to our top customers, in the period/ years indicated:

(₹ in million, unless stated otherwise)

Customers	Six month period ended September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount(2)	% of Total Revenue from Operations	Amount(2)	% of Total Revenue from Operations	Amount(2)	% of Total Revenue from Operations	Amount(2)	% of Total Revenue from Operations
Top customer (1)	3,026.39	64.94	5,126.55	68.31	4,592.50	68.31	4,166.88	69.14
Top five customers (1)	3,989.30	85.60	6,256.96	83.37	5,587.30	83.11	5,057.15	83.91
Top 10 customers (1)	4,264.26	91.51	6,754.42	90.00	5,972.25	88.82	5,383.11	89.32

(1) *The top, top five and top 10 customers have been identified based on their contribution to our total revenue from operations in respective period/ fiscal*

(2) *Excludes revenue generated from sale of scrap*

For information on the risks associated with customer concentration, see "***Risk Factors – Our business is dependent on certain key customers, with our top 10 customers contributing 91.51%, 90.00%, 88.82% and 89.32% of our revenue from operations for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The loss of, or a significant reduction in orders from, any of these customers could materially and adversely affect our business, financial condition, results of operations and cash flows.***" on page 21.

For the six month period ended September 30, 2025 and last three Fiscals, we have supplied products to customers in Hungary, France, Germany, Sweden, Brazil and USA. The table below sets out our exports and revenue from contracts with customers outside India for the periods/ years indicated.

Particulars	Six month period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of countries to which we supplied during the period/ Fiscal	5	6	4	2
Revenue from sale of products outside India (₹ in million)	436.19	383.60	470.69	350.56
Revenue from sale of products outside India as a percentage of total revenue from operations (%)	9.36	5.11	7.00	5.82

For further details relating to our relationship with key customers, see "***– Our Strengths – Long-standing relationships with customers and suppliers with a track record of repeat orders***" on page 191.

Raw Materials and Suppliers

We depend on third-party suppliers for our raw materials, primarily steel. Suppliers are generally onboarded by us after being evaluated and approved by our customers through their internal qualification processes. We do not have long-term purchase agreements or firm volume commitments with them. Steel is typically sourced from steel mills that follow standardized manufacturing practices to meet customer specifications. On receipt, all incoming raw materials are subjected to internal inspection to confirm compliance with defined quality parameters. For risks associated with sourcing of raw materials, please see "***Risk Factors - Our business performance and profitability rely heavily on the availability and cost of steel, our primary raw material. The cost of raw materials and components consumed by us represented 52.61%, 53.68%, 56.44% and 58.24% of our total revenue from operations during the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. Any volatility in steel prices, shortages arising from external factors, or disruptions in the timely and sufficient supply of raw materials could adversely affect our operations. Such developments may negatively impact our revenues, margins, financial condition and cash flows***" on page 26.

During the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, we have procured raw materials from 144 suppliers. Our top suppliers, Aarti Steel Limited, Arora Iron & Steel Rolling Mills Pvt Ltd. and VCK Forge are located at close proximity to our manufacturing facilities in Ludhiana, facilitating in a consistent supply of critical raw materials. In the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, our cost of raw materials and components consumed was ₹ 2,452.05 million, ₹ 4,028.21 million, ₹ 3,794.47 million and ₹ 3,510.25 million, respectively, representing 52.61%, 53.68%, 56.44% and 58.24% of our revenue from operations in the relevant periods.

Power, Fuel and Water

Our manufacturing operations require a continuous supply of power and fuel. We primarily source power from local utilities under standard supply arrangements and have also installed solar panels at our Facility VI to partially meet our energy requirements and reduce dependence on grid power. In the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, our power, fuel and water expenses were ₹233.19 million, ₹391.77 million, ₹344.92 million and ₹285.13 million, representing 5.31%, 5.49%, 5.35% and 4.87% of our total expenses in the respective periods.

While our processes are not highly water-intensive, a certain quantity of water is required for operations and ancillary activities. These requirements are met through local supply and in-house bore wells at our manufacturing facilities. As part of our focus on sustainability, we have implemented water-conservation measures, including initiatives to reduce wastage and the adoption of rainwater harvesting systems. For further details, please see "***Risk Factors - Our forging and machining operations are energy-intensive, and power, fuel and water costs constituted 5.31%, 5.49%, 5.35% and 4.87% of our total expenses in the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, respectively. Any disruption in supply of such utilities or increase in tariffs of such utilities could adversely affect our production costs and profitability.***" on page 38.

Transportation

We rely on a combination of in-house logistics and third-party service providers for the transportation of our raw materials and finished products. While as at September 30, 2025, we maintain an in-house fleet of 20 vehicles for local and transport between our facilities in Ludhiana and Hosur, we are dependent on external logistics providers for long-distance domestic deliveries and export shipments. The choice of transportation mode for each shipment depends on several factors, including the urgency and size of the order. Transportation of our products and raw materials is carried out through various modes such as road and sea, both domestically and internationally. In the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023, our total transportation, freight duty, and handling charges were ₹155.71 million, ₹264.19 million, ₹225.82 million and ₹224.09 million, respectively, representing 3.34%, 3.52%, 3.36% and 3.72% of our revenue from operations.

We engage third-party logistics providers on a need basis without long-term exclusive contracts. For our overseas customers, our exports are made on an ex-works basis, whereby the responsibility for transportation and associated costs is transferred to the customer at the point of dispatch from our manufacturing facilities. Additionally, we operate four warehouses strategically located across Haryana, Rajasthan, Gujarat and Karnataka. These locations allow us to position inventory closer to our key customers ensuring efficient storage, seamless logistics, and timely distribution of our products.

Quality Assurance and Quality Control

We operate in a segment where stringent quality standards are crucial to avoid defects and non-compliance with customer design specifications. Any such issue can result in order cancellations and reputational damage. To manage this risk, we have implemented a quality control system under which products are inspected at each stage of the production cycle so that defects, if any, are identified and addressed before further processing. Additionally, representatives from our customers regularly inspect our manufacturing facilities and processes to ensure compliance with their specific quality requirements. We also have CMMs that check component geometry and ensure that parts conform to specified tolerances. As at September 30, 2025, our quality function is supported by a team of 174 employees, which has helped us achieve a product rejection rate of less than 1%.

With an operating history of over three decades, we have consistently supplied quality, high-precision and safety-critical components. Most of our manufacturing facilities are supported by key accreditations, including ISO 14001:2015, ISO 45001:2018 and IATF 16949:2016 reflecting our commitment to comply with requisite standards in product and service quality, environmental sustainability and workplace health and safety.

Information Technology

Our IT and digital systems are integral to our operations. Our design and engineering activities are supported by CAD, CAM and 3D scanning, which are used for die and tool design, process optimisation and product development. These systems, together with dedicated tool rooms equipped with modern design and programming infrastructure, enable precise design of tools and dies, efficient generation of machining programs and analysis of product performance and manufacturability. This integrated set-up helps shorten development cycles, improve design accuracy and align our products with customer specifications. For further details, see "***– Our Strengths - Modern manufacturing facilities with in-house design and a sustained focus on enhancing our capabilities***" on page 192.

We have also deployed an ERP platform covering key business functions such as production planning, materials and inventory management, finance, maintenance and human resources. This supports real-time data visibility, operational control and informed decision-making. We undertake periodic upgrades to our IT and ERP systems to enhance efficiency and support uninterrupted business operations.

Sales and Marketing

We promote our capabilities through a combination of physical and digital marketing. Our Company has participated in domestic and international exhibitions, including Subcon, which have enabled us to engage with overseas buyers, explore new markets and benchmark our offerings against global standards. As at September 30, 2025, our sales and marketing team, comprising 11 employees, supports business growth by deepening engagement within existing product lines, identifying and onboarding new customers, and pursuing opportunities in both domestic and international markets.

Before commencement of production in volume, we typically submit samples developed by us to our customers for evaluation and testing. Upon successful qualification of these samples and completion of the customer's approval process, we receive confirmed orders in the form of purchase orders**.** We allocate significant time and resources to this vendor selection and approval process, which, although rigorous and often lengthy, enables us to understand customer design and performance requirements more closely and demonstrate our ability to deliver customised, technically demanding components.

Our team plays an active role in maintaining customer relationships by handling grievances, participating in review meetings, ensuring regular communication, attending supplier and customer events, resolving rare product-quality concerns and supporting customer-led initiatives at our manufacturing locations.

Human Resources

As at September 30, 2025, our workforce comprises over 3,469 employees. In addition, our Company also engages independent contractors who subsequently utilize on-site contract labour to conduct certain of our ancillary operations at our Hosur Facilities. As of September 30, 2025, we had 840 contract labourers.

The following table provides information about our permanent employees, as of six month period ended September 30, 2025:

Particulars	Number
Manufacturing process	2,735
Tool room, development and maintenance	245
Quality assurance	174
Other support staff	130
Storage and logistics	115
HR and admin	24
Accounts and finance	21
Marketing and sales	11
Administration (general management & strategic)	5
Total	**3,469**

Our employees are not unionised into any labour or workers' unions and have not experienced any major work stoppages due to labour disputes or cessation of work in the last three Fiscals. For further details, see "***Risk Factors – Any disruption to the steady and regular supply of workforce for our operations, including due to strikes, work stoppages or increased wage demands, could disrupt our production schedules and increase labour costs.***" on page 47.

Health and Employee Safety

We are committed to providing a safe and healthy working environment for our employees and strive to comply with applicable health, safety and environmental laws and regulations. Our operations are conducted in line with established workplace safety practices, with the objective of maintaining a secure and hygienic environment at our manufacturing facilities. We have implemented a range of measures to reduce the risk of accidents and prevent environmental incidents at our production sites, including the adoption of employee safety manuals that set out safety and environmental procedures, and periodic hazard identification and risk assessments covering key operations. In addition, we conduct training and awareness programmes on employee safety and environmental practices for all personnel. These programmes include induction for new employees and regular refresher sessions for existing staff, with coverage of topics such as facility-floor safety, emergency response and safe operating practices.


We also provide health and accident insurance benefits to employees and their immediate family members as part of our focus on employee welfare. In 2008, we were conferred the first prize in Punjab State Safety Awards by the Labour Department of Punjab.

CSR and ESG Initiatives

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, our Board on August 18, 2025 has re-constituted the Corporate Social Responsibility ("**CSR**") Committee and adopted a CSR policy pursuant to which we undertake various CSR initiatives. These include, among others, donations towards maintenance of municipal parks, support to armed forces–related causes, awareness programmes on prevention of suicide, and contributions to various charitable trusts. In the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, our corporate social responsibility expenses were ₹5.42 million, ₹4.42 million, ₹1.65 million and ₹3.21 million, respectively, representing 0.12%, 0.06%, 0.02% and 0.05% of our total revenue from operations, respectively.

We are committed to conducting our business in a responsible manner and integrating ESG initiatives considerations into our day-to-day operations and long-term decision-making. Our approach is guided by internal policies, applicable regulations and customer expectations, with a particular focus on resource efficiency, safe workplaces and transparent business practices across our manufacturing facilities.

Environmental stewardship

We seek to minimise the environmental impact of our manufacturing activities by improving energy efficiency, optimising the use of raw materials and reducing waste. We follow a "Reduce, Reuse and Recycle" approach, supported by process improvements to lower energy consumption, measures to increase reuse and recycling of materials, and efforts to reduce scrap and emissions from our operations. We have installed solar panels at Facility VI to partially meet our energy requirements and to support a more reliable and cleaner electricity supply to such facility. We are also proposing to set up a solar plant at Buttar Bakhua, Punjab from the Net Proceeds which is being set by the Company with the objective of reducing our power and fuel costs, reducing our carbon footprint and optimizing resources. For further details, see "***Objects of the Offer***" on page 91.

We also implement water-conservation measures, including rainwater harvesting and initiatives to reduce wastage, and undertake plantation activities in coordination with local stakeholders to improve green cover and support biodiversity in and around our operational areas. Our environmental efforts have received external recognition, including the "Environment Excellence Award" in 2019 from the Chamber of Industrial and Commercial Undertakings for initiatives in energy saving, tree plantation and water conservation in the large industry category.

Social responsibility

We place strong emphasis on the health, safety and well-being of our employees and contract workers. We seek to provide a safe and healthy working environment by implementing facility-floor safety procedures, providing appropriate personal protective equipment and conducting regular training on occupational health and safety. Hazard identification and risk assessments are undertaken periodically, and safety manuals set out the procedures to be followed at our manufacturing facilities. Training and awareness programmes are conducted through our "Kay Jay Gurukul" platform, covering topics such as machine operation, facility-floor safety, emergency response and environmental practices. New employees undergo induction programmes, and refresher sessions are organised for existing personnel. In addition, we expect our key suppliers and business partners to follow ethical practices and comply with applicable social and labour standards.

Intellectual Property

As on date of this Draft Red Herring Prospectus, we have two applications each dated May 1, 2025 pending for the trademark registration of wordmark "**Kay Jay Forgings Limited**" and device mark under classes 35 and 12, respectively. For further details, see, "***Government and Other Material Approvals – Intellectual Property related approvals***" on page 363.

For further details about the risks associated with this, see "***Risk Factors - We require certain licenses, permits and approvals in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations.***" on page 35.

Competition

We face competition from competitors both domestically and globally. The key competitive factors in the forging and machining industry are technology, pricing, design attributes, product quality, delivery timelines, and engineering expertise. As per the CARE Report, our peers include Ramkrishna Forgings Limited, Kalyani Forge Limited, Sansera Engineering Limited and Rolex Rings Limited. For further details, see "***Industry Overview – Financial Benchmarking***" on page 184.

Insurance

Our business and operations are subject to various risks inherent in the automotive manufacturing industries such as risk of equipment failure, work accidents, fire, theft, earthquake, flood, acts of terrorism, other force majeure events and other hazards that may cause personal injury, loss of life, damage to property and equipment. We maintain insurance policies in respect of our assets or stocks, machinery, building and equipment. In addition, we typically maintain fire and special perils policy, insurance against theft and burglary for our stocks end and marine sales turnover policy to cover various risks during the transit of goods.

We believe that the nature and extent of our insurance cover are customary for companies operating in our industry. These policies are, however, subject to standard exclusions, deductibles and limits on the maximum amounts recoverable. As our operations expand, we periodically review our risk profile and insurance arrangements to seek to ensure that our coverage remains adequate and supports business continuity.

Also, see "***Risk Factors - We may incur losses that are not covered, or are only partially covered, under our insurance policies, which could adversely affect our business and financial condition..***" on page 44.

Awards and recognitions

See, "***History and Certain Corporate Matters – Key awards, accreditations, certifications and recognitions received by our Company***" on page 221.

Material Properties

Our Registered Office is located at A-8, Maya Puri Industrial Area, Phase-1, New Delhi, Delhi – 110064, India which has been taken on rental basis by us. The following table sets forth the details of our manufacturing facilities:

Particulars	Address	Built-up Area (in sq mtrs)	Owned/ Leased
Facility I	C-3 & C-4, Focal Point, Ludhiana Punjab - 141010, India	8,921.01	Owned
Facility II	SF/494, TVS-Thally Road Kothagondapalli, Mathigiri, Hosur, Dist. Krishnagiri, Tamil Nadu – 635109, India	8,276.94	Owned
Facility III	D-1/E-2/D-12, Focal Point, Ludhiana, Punjab – 141010, India	8,148.15	Owned
Facility IV	C-20, Focal Point, Ludhiana, Punjab – 141010, India	4,446.06	Owned
Facility V	SF No. 339/2, 344/2, Kelamangalam Road, Jonabanda Village Onnalvadi Post, Maithigiri, Hosur, Dist. Krishnagiri, Tamil Nadu – 635109, India	4,716.22	Owned
Facility VI	C-256 & C-257, Focal Point, Ludhiana, Punjab – 141010, India	12,286.14	Leased*

**Situated on land leased to us by Punjab Small Industries and Export Corporation Limited for a period of 99 years*

KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled "**Government and Other Material Approvals**" on page 361 of this Draft Red Herring Prospectus.*

Laws in relation to our business

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable Labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- **The Code on Wages, 2019**

  The Code on Wages, 2019, subsumes four legislations, 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 provides for a new definition of 'wages' and minimum wages to be notified for all employees in all industries, based on the categories of employees and/or geographical locations and other conditions of service, which shall be equal to or above the rate of floor wages set by the Central Government, and further mandates fixation of wage period and timely wage payment. It also requires that pay parity should be ensured for all genders, and provides for payment of annual bonus, and normal working hours to be prescribed (with the requirement to pay overtime at twice the normal pay rates in the event an employee works beyond the normal working hours). On December 18, 2020, the Government of India notified certain provisions of the Code on Wages, 2019. Subsequently on November 21, 2025, the Government of India notified the remaining provisions of the Code on Wages, 2019.

- **The Occupational Safety, Health and Working Conditions Code, 2020**

  The Occupational Safety Code subsumes 13 legislations such as the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, among others.

  The Occupational Safety Code provide for definitions of key terms including 'contract labour', 'contractor', 'principal employer' and 'establishment', annual leave with wages and prescription of working hours and rest intervals, special provisions on employment of women in night shifts, and prescription of health and safety obligations and provision of welfare facilities. The Occupational Safety Code provides for a common registration to be obtained by establishments (including factories and commercial establishments), license for contractors supplying contractor labour, and scope for prescription of requirement for factories to obtain specific licenses, etc. The Occupational Safety Code also regulates the employment of contract labour including inter-state migrant workers in certain establishments including with respect to prohibition of engagement of contract labour in core activities, and provisions for welfare and health of contract labour. On May 3, 2021, the Government of India notified certain provisions of the Code on Social Security, 2020. Subsequently, through the notification dated November 21, 2025, the Government of India brought into force the remaining sections of the Code on Social Security, 2020.

- **The Industrial Relations Code, 2020**

  The Industrial Relations Code, 2020, subsumes three legislations inter alia the Trade Unions Act, 1926, The Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947. The objective of the Industrial Relations Code, 2020, is to promote industrial harmony whilst balancing worker protection with business flexibility. The key provisions include (i) recognition of negotiating union and negotiation council, (ii) specific recognition of fixed-term employment with equal benefits including parity in wages, working hours, and allowances with permanent workers, (iii) definitions of key terms including 'employee' and 'worker', (iv) conditions for lay-offs, retrenchment and closure, including increase in the head count threshold from 100 to 300 workers for applicability of certain special provisions of retrenchment, lay-off and closure to factories, mines and plantations, (v) constitution of a grievance redressal committee with equal employer and employee representatives, (vi) mandatory notice requirements for strikes and lock-outs in all industrial establishments, (vii) provision of notice to workers prior to change in certain conditions of service, (viii) prohibition of identified unfair labour practices, (ix) adoption and certification of standing orders, and (x) dispute resolution through conciliation, labour courts and industrial tribunals. Through notification dated November 21, 2025, the Government of India has notified all the sections of the Industrial Relations Code, 2020.

- **The Code on Social Security, 2020**

  The Code on Social Security, 2020 subsumes 9 social security related legislations, inter alia the Employee's Compensation Act, 1923, 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. The Code on Social Security, 2020 provides for a common registration to be obtained, social security provisions including on provident fund, pension, and employees' deposit-linked insurance, employees' state insurance coverage and benefits including sickness benefit, disablement benefit, etc, compensation to be paid to employees for workplace injuries/occupational diseases, maternity benefits, gratuity payments including to fixed-term employees, and prescription of social security benefits including for building and other construction workers, unorganised workers, gig workers and platform workers. Employers are required to obtain necessary registration and make necessary contributions/payments as prescribed. On May 3, 2021, the Government of India notified certain provisions of the Code on Social Security, 2020. Subsequently, through the notification dated November 21, 2025, the Government of India brought into force the remaining sections of the Code on Social Security, 2020.

The Electricity Act, 2003 ("Electricity Act")

The Electricity Act is the central legislation which consolidated the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry, promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalisation of electricity tariff, ensuring transparent policies regarding subsidies, promotion of efficient and environmentally benign policies constitution of central electricity authority, regulatory commissions and establishment of appellate tribunal. As per provisions of the Electricity Act, generating companies are required to establish, operate, and maintain generating stations, sub-stations, tie-lines and dedicated transmission lines. Under the Electricity Act, the State Electricity Regulatory Commissions ("**SERCs**") are required to promote cogeneration and generation of electricity from renewable sources of energy and sale of electricity to any person. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which has been implemented in the form of renewable purchase obligations ("**RPOs**").

New and Renewable Sources of Energy (NRSE) Policy – 2012

The 'New and Renewable Sources of Energy (NRSE) Policy – 2012', issued by the Government of Punjab, Department of Science, Technology, Environment and Non-Conventional Energy on December 26, 2012, is effective from the date of its notification and is slated to remain in operation until a new policy is notified by the Government. The policy is aimed towards increasing the share of renewable energy, with a specific target to achieve 1,000 MW of solar power generation capacity by 2022. To facilitate this, the policy promotes the development of MW-scale solar Independent Power Producer (IPP) projects, which are allocated through competitive bidding, and encourages rooftop solar projects for all sectors via grid interconnectivity and net metering. While the policy supersedes the previous policy notified in 2006, it provides a distinct framework of incentives for new projects, including the provision that agricultural land can be used for setting up renewable energy power projects with a full exemption from Change of Land Use (CLU), External Development Charges (EDC), and any other related fees.

Environmental Laws

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

Under the Air Act, the relevant state pollution control board may inspect any industrial plant or manufacturing process and give orders, as it may deem fit, for the prevention, control, and abatement of air pollution. Further, under the provisions of the Air Act, the industrial plants and manufacturing processes are required to adhere to the standards for emission of air pollutants laid down by the relevant state pollution control board, in consultation with the central pollution control board. Under the Air Act, the state pollution control boards are empowered to declare air pollution control areas and consent of the state pollution control board is required prior to establishing and operating an industrial plant. The consent by the state pollution control board may contain provisions regarding installation of pollution control equipment and the quantity of emissions permitted at the industrial plant.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the central and state pollution control board. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using any new or altered outlet for the discharge of sewage or 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. In certain cases, the state pollution control board may cause the local magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines and/or imprisonment.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules"), as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 ("Amendment Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. A list of hazardous wastes and processes that generate hazardous waste have been specified under the Hazardous Waste Rules. We are required to obtain authorizations for, inter alia, the generation, processing, treatment, package, storage, transportation, use, collection, destruction or transfer of the hazardous waste from the concerned state pollution control board.

Intellectual Property Laws

The Trade Marks Act, 1999 (the "Trademarks Act")

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trademark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trademarks (Amendment) Act, 2010 ("**Trademark Amendment Act**") simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

Laws relating to foreign investment and trade

The Foreign Exchange Management Act, 1999 ("FEMA")

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated Foreign Direct Investment Policy ("**FDI Policy**") issued by the DPIIT from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. As per the current FDI Policy (effective October 15, 2020), 100% foreign direct investment is allowed for companies in the manufacturing sector through the automatic route.

Export Promotion Capital Goods Scheme, 2020

The Export Promotion Capital Goods Scheme (the "**EPCG Scheme**") provides that importers can benefit from reduced duties on the import of capital goods provided that they fulfil an export obligation to export a prescribed amount of their goods manufactured or services rendered (such amount being a multiple of the duty saved) within a specified period. Export obligations can be fulfilled by either through direct exports or through third parties. An EPCG authorization holder shall be liable to pay custom duties along with interest custom in the event of nonfulfillment of prescribed export obligations.

Customs Act, 1962 ("Customs Act")

The 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 in accordance with the Customs Tariff Act, 1975. Any Company requiring to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under Foreign Trade (Development and Regulation) Act, 1992, as amended (the "**FTDR**"). Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance.

Remission of Duties and Taxes on Exported Products Scheme ("RoDTEP Scheme")

The RoDTEP Scheme has been with effect from January 1, 2021. The aim of the RoDTEP Scheme was to reimburse all exporters for previously non-reimbursable taxes and duties. This provides new benefits to exporters for exporting products outside of India and encourages global trade. Under the RoDTEP Scheme, support will be provided to eligible exporters at a notified rate as a percentage of Freight on Board ("**FOB**") value. Mandi tax, VAT, coal cess, central excise duty on fuel etc., is refunded. The refund is issued in the form of transferable electronic scrips. These duty credits will be maintained and tracked through an electronic ledger. Certain categories, which would not avail the benefits include export goods that are subject to minimum export price, restricted and prohibited items, deemed exports, supplies of goods manufactured by domestic tariff area units to Special Economic Zones ("**SEZs**"), and products manufactured or exported by units situated in SEZs.

Foreign Trade (Development and Regulation) Act, 1992 and the rules framed thereunder ("Foreign Trade Act")

The Foreign Trade Act, read with the applicable provisions of the Indian Foreign Trade Policy 2023, authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The Central Government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act requires every importer as well as exporter to obtain the Importer Exporter Code Number ("**IEC**") from the Director-General or the authorised officer. The Director General is authorised to suspend or cancel IEC in case of (i) contravention by any person any of the provisions of the Foreign Trade Act or any rules or orders made thereunder or the foreign trade policy or any other law for the time being in force relating to Central excise or customs or foreign exchange or person has committed any other economic offence under any other law for the time being in force as may be specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or has brought disrepute to the credit or the goods of, or services or technology provided from, the country; or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of the Foreign Trade Act or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the Director General to that person in a manner and subject to conditions as may be prescribed.

Securities Laws

Securities and Exchange Board of India Act, 1992 ("SEBI Act")

The SEBI Act, and the rules, regulations, circulars and notifications framed thereunder, is the main legislation governing the activities in relation to the securities markets in India. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors in securities and to promote the development of, and to regulate, the securities market in India. The SEBI Act also provides for the registration and regulation of the function of various market intermediaries including stockbrokers, merchant bankers/underwriters, Mutual Funds, portfolio managers, alternative investment funds, investment advisers. Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the powers, functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time, amongst other things, in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose (a) penalties under the SEBI Act and the regulations made thereunder; and (b) penalties prescribed under various regulations, including suspending or cancelling the certificate of registration of an intermediary and initiating prosecution under the SEBI Act. Further, SEBI has the power to call for information, undertake inspection, conduct enquiries and audits of the stock exchanges, Mutual Funds, other persons associated with the securities market, intermediaries and self-regulatory organisations in the securities market.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations")

The SEBI Listing Regulations establishes compliance requirements for listed entities to ensure transparency and protect investor interests. It mandates timely disclosures, corporate governance standards, and financial reporting obligations for companies whose securities are listed on stock exchanges. The SEBI Listing Regulations mandate that the board of directors of a listed entity shall have an optimum combination of executive and non-executive directors, including independent directors. Further, it also stipulates that listed entities must submit quarterly and annual financial results to the stock exchange within the prescribed timelines. Public listed companies are required under the SEBI Listing Regulations to prepare and circulate their audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis. In addition, a listed company is subject to continuing disclosure requirements pursuant to the provisions of the SEBI Listing Regulations.

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations")

SEBI ICDR Regulations regulates the issuance of capital and disclosure requirements for companies raising funds through various channels including, inter alia, initial public offer, further public offer, rights issue and qualified institutions placement. It sets out the guidelines and frameworks that companies must follow to issue securities to the public. It also outlines the disclosure requirements pertaining to all material information, risks, and details about the financial position of the company.

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("SEBI PIT Regulations")

The SEBI PIT Regulations, prohibit any insider from trading in securities while in possession of unpublished price-sensitive information ("UPSI"). The SEBI PIT Regulations define insiders as individuals who have access to UPSI by virtue of their position in a company or their relationship with such a company. It mandates that designated persons maintain confidentiality of such information and prohibits the communication of UPSI unless required for legitimate purposes, performance of duties or discharge of legal obligations. The SEBI PIT Regulations also introduced trading plans, allowing insiders to trade in securities under a pre-approved plan to establish transparency and prevent allegations of misconduct. Furthermore, disclosure requirements apply to promoters, directors, and certain employees to ensure accountability. Violations of these provisions include monetary fines and restrictions on trading activities.

Securities Contract (Regulation) Act, 1956 ("SCRA")

The SCRA was enacted to prevent undesirable transactions in securities by regulating the business of dealing in securities, by providing for certain matters connected therewith. The SCRA provides, amongst other things, the definition of 'securities', the manner and procedure for recognition of stock exchanges and clearing corporations and provides recognized stock exchanges and clearing corporations the powers to make bye-laws for regulation and control of contracts for, or relating to, dealing in securities.

Securities Contract (Regulation) Rules, 1957 ("SCRR")

The SCRR provides, among other things, the requirements with respect to listing of securities on a recognized stock exchange, the manner of submitting applications for recognition of stock exchanges, and the qualifications for membership of a recognized stock exchange. It also empowers SEBI to appoint persons to inspect the books of accounts and other documents to be maintained and preserved by every member of a recognized stock exchange, in terms of the SCRR.

Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 ("SEBI PFUTP Regulations")

SEBI PFUTP Regulations, inter alia, prohibits manipulative, fraudulent, and unfair practices in connection with securities markets. It defines various categories of prohibited activities including market manipulation, price rigging, misleading statements, and artificial transactions designed to create false market impressions. The SEBI PFUTP Regulations empowers SEBI to investigate suspected violations, issue cease-and-desist orders, and impose monetary penalties and market access restrictions. It also establishes the basis for disgorgement of ill-gotten gains and provides for restitution to affected investors harmed by fraudulent practices.

General Statutory Legislations

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its "*Residential Status*" and "*Type of Income*" involved. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

Goods and Service Tax Laws

Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the states including union territories with legislature/ union territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 ("**CGST**"), State Goods and Services Tax Act, 2017 ("**SGST**"), Union Territory Goods and Services Tax Act, 2017 ("**UTGST**"), Integrated Goods and Services Tax Act, 2017 ("**IGST**") and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

The Digital Personal Data Protection Act, 2023 ("Data Protection Act")

The Data Protection Act received the assent of the President of India on August 11, 2023, and the provisions of the Data Protection Act shall come into effect on such date as the Central Government may notify in the official gazette. The Data Protection Act provides for collection and processing of digital personal data by persons, including companies. The significant data fiduciaries, as defined under the Data Protection Act, will be required to appoint an independent data auditor who will evaluate their compliance with the Data Protection Act. The Central Government will also establish the Data Protection Board of India, whose key functions include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by data principals. The Indian Ministry of Electronics and Information Technology has released the Draft Digital Personal Data Protection Rules, 2025 ("**DPDP Rules**") for public consultation. The DPDP Rules regulate the processing of personal data in India, ensuring individuals privacy rights are protected.

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 recognising 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 unauthorised access to computer systems, tampering with or unauthorised 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.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated as "*Kay Jay Forgings Private Limited*", a private limited company under the provisions of Companies Act, 1956, pursuant to a certificate of incorporation dated August 5, 1983, issued by the Registrar of Companies, Punjab, H.P, and Chandigarh at Jalandhar. Our Company changed its registered office from Ludhiana, Punjab to the Union Territory of Delhi pursuant to a certificate of registration of the order of the Company Law Board confirming the transfer of the registered office from one state to another, issued by the Additional Registrar of Companies, Delhi & Haryana on September 22, 1987. Subsequently, pursuant to a Board resolution dated November 18, 2024 and a special resolution passed by our Shareholders on December 16, 2024, our Company was converted into a public limited company, consequent to which, the name of our Company was changed to "*Kay Jay Forgings Limited*" and a fresh certificate of incorporation dated December 19, 2024 was issued to our Company by the Registrar of Companies, Central Processing Centre.

Changes in Registered Office

Except as stated below, there has been no change in the address of our registered office since the date of its incorporation:

Effective date of change	Details of change in the registered office	Reasons for change
August 3, 1987	Change in the registered office of the Company from Ratanakar Diwan Nihal Chand Road, Civil Lines, Ludhiana, Punjab -141001, India to M-2, Chiranjeev Towers, Nehru Place, New Delhi, Delhi – 110019, India.	For achieving administrative convenience
April 1, 1988	Change in the registered office of the Company from M-2, Chiranjeev Towers, Nehru Place, New Delhi, Delhi – 110019, India to M-109, Greater Kailash, Part-II, New Delhi, Delhi – 110048, India.	For achieving administrative convenience
August 1, 1988	Change in the registered office of the Company from M-109, Greater Kailash, Part-II, New Delhi – 110048, India to C-45, 1st Floor, Greater Kailash, Part-I, New Delhi, Delhi - 110048, India.	For achieving administrative convenience
May 28, 1994	Change in the registered office of the Company from C-45, 1st Floor, Greater Kailash, Part-I, New Delhi – 110048, India to C-I/I, Rajouri Garden, Ring Road, New Delhi, Delhi – 110027, India	For achieving administrative convenience
May 1, 2015	Change in the registered office of the Company from C-I/I, Rajouri Garden, Ring Road, New Delhi – 110027, India to A-8, Maya Puri, Industrial Area, Phase-1, New Delhi, Delhi-110064, India	For achieving administrative convenience.

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Main Objects of our Company

The main objects of our Company contained in its Memorandum of Association are as disclosed below:

1. *To carry on the business of Mechanical Engineers, Machinists, Fitters, Millers, Wrights, Founders, Wire Drawers, Tube Makers, Metallurgists, Galvanizers, Japanners, Annealers, Painters, and Electro-platers.*

2. *To carry on the business of manufacturers, importers, exporters, stockists, wholesalers, Retailers and Dealers in all kinds of spare parts, Accessories, Components of Cycle, Rickshaw, Motor Cycle, Scooters, Mopeds, Motor Cars, Motor Boats, Motor Launches, Motor Buses, Motor Lorries, Motor Vans, Aeroplanes, Sea Planes, Gliders and other conveyances of all descriptions whether propelled or assisted by means of Petrol, Spirit, Steam, Gas, Electricity, Animal, Atomic or other power and all other engineering goods.*

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 in the last 10 years

Set forth below are amendments made to the Memorandum of Association of our Company in the last 10 years, preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution/Effective date	Nature of amendment
November 26, 2019	Clause V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 15,000,000 divided into 150,000 equity shares of face value of ₹ 100/- each to ₹ 15,500,000 divided into 155,000 equity shares of face value of ₹ 100/- each, pursuant to Scheme of Amalgamation II.
December 23, 2022	Clause V of our Memorandum of Association was amended to reflect the sub-division of face value of equity shares from ₹ 100/- each to ₹ 10/- each pursuant to which 155,000 equity shares of ₹100/- each were sub-divided into 1,550,000 equity shares of ₹10/- each.
December 16, 2024	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Kay Jay Forgings Private Limited' to 'Kay Jay Forgings Limited' pursuant to the conversion of our Company from a private limited company to a public limited company.
December 16, 2024	Adoption of new set of Memorandum of Association and Articles of Association of our Company as per Companies Act, 2013.

Date of Shareholders' resolution/Effective date	Nature of amendment
August 16, 2025	Clause V of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 15,500,000 divided into 1,550,000 equity shares of face value of ₹ 10/- each to ₹ 400,000,000 divided into 40,000,000 equity shares of face value of ₹ 10/- each
August 16, 2025	Clause V of our Memorandum of Association was amended to reflect the sub-division of face value of equity shares from ₹ 10/- each to ₹ 5/- each pursuant to which 40,000,000 equity shares of ₹10/- each were sub-divided into 80,000,000 equity shares of ₹ 5/- each.
February 24, 2026	Clause III (B) of our Memorandum of Association was amended to reflect the insertion of the following sub-clause 40: *"To generate, accumulate, transmit, supply, distribute, or deal in non-conventional or renewable energy resources including but not limited to wind, solar, bio-gas and energy derived from any source whatsoever and to establish, set up, install, develop, operate and maintain related plants, systems and facilities, whether owned, leased or licensed premises or otherwise and to undertake all such activities as may be incidental or ancillary thereto."*; Clause III (C) of the Memorandum of Association in relation to other objects was deleted.

Major events and milestones of our Company

The table below sets forth some of the major events and milestones in our Company:

Calendar year	Major events and milestones
1983	Incorporation of our Company as a private limited company
1988	Commencement of operations in Ludhiana, Punjab
	Commenced supply of precision forged crankshafts to TVS Motor Company Limited
2004	Commenced export of automotive components
2006	Commencement of operations at our Facility -II in Hosur, Tamil Nadu
	Amalgamation of Sheet Components Private Limited into our Company pursuant to Scheme of Amalgamation I coming into effect, resulting in the acquisition of our Facility III (in part) in Ludhiana, Punjab
	Commencement of operations at our Facility IV in Ludhiana, Punjab
	Revenue from operations of our Company crossed ₹ 1,000 Million in Fiscal 2006
2012	Commenced supply of crankshaft assemblies
2014	Commenced supply of lower bracket assemblies
2017	Commencement of operations at Facility V in Hosur, Tamil Nadu
2019	Amalgamation of Canon Forgings and Allied Industries Private Limited into our Company pursuant to Scheme of Amalgamation II coming into effect, resulting in the acquisition of our Facility III (in part)
2022	Commenced supply of refrigerator compressor shafts
2023	Commenced supply of machined crankshafts to Honda Motorcycle & Scooter India Private Limited and door hinge assembly to Mahindra & Mahindra Limited.
	Commencement of operations at our Facility VI in Ludhiana, Punjab
	Commenced exports of non-automotive components
	Revenue from operations of our Company crossed ₹ 5,000 million in Fiscal 2023
2024	Conversion from a private limited company to a public limited company
2025	Revenue from operations of our Company crossed ₹ 7,500 Million in Fiscal 2025

Key awards, accreditations, certifications and recognitions received by our Company

The table below sets forth certain key awards, accreditations, certifications and recognitions received by our Company:

Calendar year	Award/Accreditation/Certification/Recognition
2008	Received the Punjab State Safety Award for largest reduction in accident frequency rate in light engineering industry for more than 5 Lac man hours by Labour Department, Government of Punjab.
2016	Received the Kaizen award for productivity and delivery in the large industry category by confederation of Indian industry at the 9th CII National Competitiveness and Cluster Summit 2016.
2019	Received the Environment Excellence Award for energy saving, tree plantations and water conservation, Category-Large Industry, by Chamber of Industrial & Commercial Undertakings.
2020	Received the "3 Star Rating" in appreciation to EHS practices in the CII-SR EHS Excellence Awards by Confederation of Indian Industry.
2021	Received the recognition for "Consistent Quality performance" in 2020 -21 -Platinum category by TVS Motor Company Limited.
2021	Received the recognition for "Quality & System Performance" by TVS Motor Company Limited.
2021	Received the award for "Best Supply Chain Innovation Projects" by TVS Motor Company Limited.
2022	Received accreditations for ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management Systems) from Quality Austria Certification GmbH for manufacturing Facility I, Facility III and Facility IV.
2023	Received the Silver Kaizen Award for "Digitisation of Training Process" by Chamber of Industrial & Commercial Undertakings (CICU) in the 14th National Kaizen Competition.
	Received accreditations for ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management Systems) from Quality Austria Certification GmbH for our Facility II and Facility V.

Calendar year	Award/Accreditation/Certification/Recognition
2024	Received the Special Category Award for Best Innovative Kaizen at SIT-CFT Competition, 2024-2025, by TVS Motor Company.
	Received accreditation for IATF 16949:2016 (Quality Management System for Automotive Production and Service Part Organisations) from TÜV Rheinland Cert GmbH.
2025	Received the award for Best Supplier – "Quality Management", 2024-25, at Annual Supplier Convention organised by Honda Motorcycle and Scooter India.
	Received the "Best Quality Supplier Award 2025" at the All India Partners Vision Summit organised by Greaves Electric Mobility (Ampere).
2026	Recognized by TVS Motor Company Limited for demonstrating speed and agility in TVS's Zero Defect Progress for the Process Cluster.

Significant financial and/or strategic partnerships

Our Company does not have any significant financial or strategic partners as on the date of this Draft Red Herring Prospectus.

Defaults or rescheduling/restructuring of borrowings from financial institutions or banks

No defaults or rescheduling/restructuring have occurred in relation to any borrowings availed by our Company from any financial institutions or banks as on the date of this Draft Red Herring Prospectus.

Time/cost overrun in setting up projects

Our Company has not experienced any instances of time or cost overruns in respect of setting up of projects as of the date of this Draft Red Herring Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity or facility creation and the location of plants to the extent applicable, see "***– Major events and milestones of our Company***" "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 221, 186 and 328, respectively.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, etc. in the last 10 years

Except as detailed below, our Company has not made any material acquisitions or divestments of business or undertakings, and has not undertaken any mergers or amalgamations or any revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus:

The scheme of amalgamation between Canon Forgings and Allied Industries Private Limited ("**Transferor Company**"), a wholly-owned subsidiary, and our Company ("**Transferee Company**") was filed under section 233 of the Companies Act, 2013 read with Rule 25 of Companies (Compromise, Arrangements and Amalgamation) Rules, 2016 before the RoC and the Official Liquidator of Delhi for their suggestions, if any, (the "**Scheme of Amalgamation II**"). The Scheme of Amalgamation II provided for the amalgamation of the Transferor Company on a going concern basis into the Transferee Company, with April 1, 2018, being the appointed date. The Scheme of Amalgamation II was approved by our Board on October 31, 2017, and by our shareholders on March 28, 2019. The rationale for the Scheme of Amalgamation II was to achieve operational synergy by pooling financial, managerial, and other resources. Consequently, all business, undertakings, and assets of the Transferor Company were transferred to and vested in the Transferee Company from the appointed date. The Scheme of Amalgamation II was approved by the Regional Director of Northern Region vide an order dated November 26, 2019.

Shareholders' agreements and other material agreements

As on the date of this Draft Red Herring Prospectus, there are no agreements, arrangements, deed of assignments, acquisition agreements, inter-se agreements, shareholders' agreement or any other agreements of a like nature, or agreements containing clauses/ covenants which are material, adverse or pre-judicial to the interest of the minority/public shareholders and which needs to be disclosed or no-disclosure of which may have a bearing on the investment decision.

Key terms of other subsisting material agreements

There are no subsisting material agreements/ arrangements entered into by our Company or clauses / covenants applicable to our Company which are material, and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer

Agreements with Key Managerial Personnel, Senior Managerial Personnel, Directors, Promoters, or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel, Senior Management Personnel, Directors, Promoters, or any other employees 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.

Agreements required under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations

As on the date of this Draft Red Herring Prospectus, there are no agreements required to be disclosed pursuant to Clause 5A of Paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiary

As of the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

Joint Ventures and Associates

As of the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associates.

Accumulated profits or losses

As of the date of this Draft Red Herring Prospectus, our Company does not have any accumulated profits or losses.

Guarantees given to third party by our Promoter Selling Shareholders

Other than as disclosed below, the Promoter Selling Shareholders have not given any guarantees to third parties:

Name of Promoter Selling Shareholder	Guarantee issued in favour of	Borrower	Reason	Period of guarantee	Guarantee amount (₹ in million)	Type of facility	Consideration
Gopal Krishan Kothari	Union Bank of India	Company	For Vehicle Loan	Till the underlying loan is repaid in full by our Company	2.32	Vehicle Loan	Nil
Gopal Krishan Kothari	Union Bank of India	Company	For Vehicle Loan	Till the underlying loan is repaid in full by our Company	1.61	Vehicle Loan	Nil
Amit Kothari	UCO Bank	Company	For Vehicle Loan	Till the underlying loan is repaid in full by our Company	12.00	Vehicle Loan	Nil

The guarantees have been issued in connection with vehicle loans taken by the Company.

Pursuant to the terms of the guarantees, the obligations of the Promoter Selling Shareholders include repaying the outstanding loan amount if the Company defaults in their obligations. The financial implications in case of default by the borrower are that the lender would be entitled to invoke the guarantee to the extent of the outstanding loan amount together with any interests, costs or charges due to the respective lenders. Our Company has no obligations under the terms of the guarantees provided by our Promoter Selling Shareholders. For further details of the security, please see, *"**Financial Indebtedness – Principal terms of the borrowings availed by our Company**"* and "***Restated Financial Information***" on pages 325 and 246, respectively.

Other Confirmations

All material clauses of our Articles of Association having a bearing on the Offer have been disclosed in this Draft Red Herring Prospectus.

Except as disclosed in "***Our Management – Interest of Directors***" on page 228 there are no conflicts of interest between our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, and Group Company and any lessors/ owners of immovable properties (who are crucial for operations of the Company).

While there are no conflicts of interest between our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, and Group Company and any suppliers of raw materials and third-party service providers (who are crucial for operations of the Company), we rely on certain entities, namely (i) Shaheed N Tundup, Sewamedal Auto Care, (ii) Micro Coaters and (iii) M/s Kothari Exports INC, our Promoter Group entity, to provide us with power and fuel, job workers and transportation services, respectively.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As of the date of this Draft Red Herring Prospectus, our Board comprises of six Directors, including one Chairman and Managing Director, one Executive Director, one Whole-time Director and three Independent Directors (including one-woman Independent Director). The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship	Age (years)	Other directorships
Gopal Krishan Kothari **DIN**: 00026734 **Designation**: Chairman & Managing Director **Date of birth:** October 24, 1954 **Address:** House No-23 H, Sarabha Nagar, Near Guru Nanak Publick School, Ludhiana, Punjab – 141001, India **Occupation:** Business **Current term**: For a period of three years with effect from August 16, 2025 **Period of directorship**: Director since April 4, 1988	71	**Indian Companies** **Listed Companies** • Nil **Unlisted Companies** • Oswal Infratech Private Limited • Vardhman Amrante Private Limited • Gaurishakti Textile Trading Private Limited **Non-Profit Organisation** • Nil **Foreign Companies** • Nil
Naveen Behl **DIN**: 01322486 **Designation**: Whole-time Director **Date of birth:** September 23, 1962 **Address:** House No 47 C, Phase 1 Focol Point, Ward No 13, Focal Point S.O, Ludhiana- Punjab -141010, India **Occupation:** Business **Current term**: For a period of three years with effect from August 16, 2025 **Period of directorship**: Director since August 1, 2003	63	**Indian Companies** **Listed Companies** • Nil **Unlisted Companies** • Nil **Non-Profit Organisation** • Nil **Foreign Companies** • Nil
Amit Kothari **DIN**: 00027392 **Designation**: Executive Director **Date of birth:** January 13, 1978 **Address:** House No.23 H, Sarabha Nagar, Ludhiana, Punjab - 141001, India	48	**Indian Companies** **Listed Companies** • Nil **Unlisted Companies** • Nil **Non-Profit Organisation**

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship	Age (years)	Other directorships
Occupation: Business **Current term**: Liable to retire by rotation **Period of directorship**: Director since August 19, 2015		• Nil **Foreign Companies** • Nil
Jatender Kumar Mehta **DIN**: 00028207 **Designation**: Independent Director **Date of birth:** April 11, 1949 **Address:** Vedaang Farm, 8- Tropical Drive, M.G Road, Village Ghitorni, Mehrauli, South Delhi, Delhi – 110030, India **Occupation:** Business **Nationality**: Indian **Current term**: For a period of five years with effect from April 29, 2025 **Period of directorship**: Director since April 29, 2025.	76	**Indian Companies** **Listed Companies** • Omax Autos Limited **Unlisted Companies** • Forerunner Capital Investments Limited • Gold River Realtors Private Limited • Haridwar Estates Private Limited • Dimension Electronics Private Limited • Neeru Builders Private Limited **Non-Profit Organisation** • Nil **Foreign Companies** • Nil
Pankaj Periwal **DIN**: 01007486 **Designation**: Independent Director **Date of birth:** April 21, 1974 **Address:** House No. 777, Patel Nagar, Civil Lines, Ludhiana, Punjab- 141001, India **Occupation:** Professional **Current term**: For a period of five years with effect from December 19, 2024 **Period of directorship**: Director since December 19, 2024	51	**Indian Companies** **Listed Companies** • Nil **Unlisted Companies** • Periwal Estate and Finance Private Limited • JMS Steel Syndicate Private Limited **Non-Profit Organisation** • Nil **Foreign Companies** • Nil
Mohina **DIN**: 10876188 **Designation**: Independent Director **Date of birth:** February 19, 1972 **Address:** B-180/C Flat No.3, 3rd Floor, Chhattarpur Enclave, Phase II, Street No. 17, Chhattarpue, Chattar Pur, South Delhi, Delhi - 110074, India **Occupation:** Professional	54	**Indian Companies** **Listed Companies** • Nil **Unlisted Companies** • Bhagwati Industrial Group Limited **Non-Profit Organisation** • Nil **Foreign Companies**

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship	Age (years)	Other directorships
Current term: For a period of five years with effect from December 19, 2024 **Period of directorship**: Director since December 19, 2024		• Nil

Brief profiles of our Directors

Gopal Krishan Kothari is the Chairman and Managing Director of our Company. He has been associated with our Company since August 1983. He is responsible for formulating and implementing our long-term strategic plans and has been pivotal in steering our growth and development. He holds a bachelor's degree in commerce from the University of Rajasthan. He has over 40 years of experience in the automotive sector with our Company. He is also associated as director of Oswal Infratech Private Limited, Gaurishakti Textile Trading Private Limited, Vardhman Amrante Private Limited and partner of M/s Pure Infratech, Shiva Shakti Industries and M/s Kothari Exports INC.

Naveen Behl is the Whole-time Director of our Company. He has been associated with our Company since December 1987. He is responsible for providing strategic direction across production, operations, quality control, research and development, and supply chain management of our Company. He holds a bachelor's degree in law from the University of Lucknow. He has over 38 years of experience in the automotive sector with our Company. He is also associated as a partner of M/s Micro Coaters.

Amit Kothari is the Executive Director of our Company. He has been associated with our Company since August 1996. He is responsible for formulating, implementing, and monitoring corporate policies, business strategies, and long-term organisational goals of our company. He holds a postgraduate diploma in business administration with commendation from University of Wales, Cardiff. He has over 29 years of experience in the automotive sector with our Company. He is also associated as a partner of M/s Kothari Exports INC.

Jatender Kumar Mehta is an Independent Director of our Company. He has been associated with our Company since April 29, 2025. He holds a diploma in advanced instructions in production engineering from Punjab Engineering College, Chandigarh. He has over 40 years of experience in the field of automobile components industry. He is also associated as managing director of Omax Autos Limited and director of Forerunner Capital Investments Limited, Gold River Realtors Private Limited, Haridwar Estates Private Limited, Dimension Electronics Private Limited, Neeru Builders Private Limited.

Pankaj Periwal is an Independent Director of our Company. He has been associated with our Company since December 19, 2024. He holds a bachelor's degree in commerce from S.D. Government College, Panjab University. He is a fellow member of the Institute of Chartered Accountants of India. He has over 22 years of experience in the areas of audit and tax consultancy. He has also completed certificate course on Concurrent Audit of Banks and Forensic Accounting and Fraud Detection from the ICAI. He is also associated as a partner of M/s S.S. Periwal & Co., Chartered Accountants, director of Periwal Estate and Finance Private Limited and director of JMS Steel Syndicate Private Limited.

Mohina is an Independent Director of our Company. She has been associated with our Company since December 19, 2024. She holds a bachelor's degree in commerce from BBK DAV College for Women, Guru Nanak Dev University. She is fellow member of Institute of Chartered Accountants of India. She has over 19 years of experience as a practicing chartered accountant. She is serving as a full-time practicing chartered accountant since August 17, 2006.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the applicable guidelines issued by the RBI.

None of our Directors is or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Relationship between our Directors, Key Managerial Personnel and Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and members of Senior Management are related to each other:

Name of the Director, Key Managerial Personnel, or members of Senior Management	Relative	Relationship
Amit Kothari	Gopal Krishan Kothari	Father
	Mannat Kothari	Wife
Gopal Krishan Kothari	Amit Kothari	Son
	Mannat Kothari	Daughter-in-law
Mannat Kothari	Amit Kothari	Husband
	Gopal Krishan Kothari	Father-in-law

Terms of appointment of our Directors

Terms of appointment of our Chairman and Managing Director

Gopal Krishan Kothari

Pursuant to the resolution passed by our Board on August 13, 2025 and a special resolution passed by our shareholders on August 16, 2025, Gopal Krishan Kothari has been appointed as the Chairman and Managing Director of our Company for a period of three years with effect from August 16, 2025.

The details of remuneration and perquisites payable to Gopal Krishan Kothari, as approved by our Board and the Shareholders, in their meeting held on August 13, 2025 and August 16, 2025, respectively, are as follows:

Particulars	Terms and Conditions
Basic Salary	Monthly salary within the range of ₹ 1.00 million to ₹ 1.50 million as may be decided by the Nomination and Remuneration Committee of the Company.
Perquisites	a. Company contributions to provident fund, superannuation fund or annuity fund, to the extent exempt under the Income-Tax Act,1961. b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. c. Encashment of unavailed leave at the end of the year.
Commission	The percentage of the net profits of the Company as determined by the Board, within the limits prescribed under section 197 of the Companies Act.

During Fiscal 2025, he has received a remuneration of ₹ 13.52 million from our Company.

Terms of appointment of our Executive Director

Amit Kothari

Pursuant to the resolution passed by our Board on August 13, 2025 and an ordinary resolution passed by our shareholders on August 16, 2025, Amit Kothari has been appointed as the Executive Director of our Company and is liable to retire by rotation.

The details of remuneration and perquisites payable to Amit Kothari, as approved by our Board and the Shareholders, in their meeting held on August 13, 2025 and August 16, 2025, respectively are as follows:

Particulars	Terms and Conditions
Basic Salary	Monthly salary within the range of ₹ 0.60 million to ₹ 1.00 million as may be decided by the Nomination and the Remuneration Committee of the Company.
Perquisites	a. Company contributions to provident fund, superannuation fund or annuity fund, to the extent exempt under the Income -Tax Act, 1961. b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. c. Encashment of unavailed leave at the end of the year.
Commission	The percentage of the net profits of the Company as determined by the Board, within the limits prescribed under Section 197 of the Companies Act.

During Fiscal 2025, he has received a remuneration of ₹ 6.76 million from our Company.

Terms of appointment of our Whole-time Director

Naveen Behl

Pursuant to the resolution passed by our Board on August 13, 2025 and a special resolution passed by our shareholders on August 16, 2025, Naveen Behl has been appointed as the Whole-time of our Company for a period of three years with effect from August 16, 2025.

The details of remuneration and perquisites payable to Naveen Behl, as approved by our Board and the Shareholders, in their meeting held on August 13, 2025 and August 16, 2025, respectively are as follows:

Particulars	Terms and Conditions
Basic Salary	Monthly salary within the range of ₹ 0.95 million to ₹ 1.50 million as may be decided by the Nomination and the Remuneration Committee of the Company.
Perquisites	a. Company contributions to provident fund, superannuation fund or annuity fund, to the extent exempt under the Income Tax Act, 1961. b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. c. Encashment of unavailed leave at the end of the year.
Commission	The percentage of the net profits of the Company as determined by the Board, within the limits prescribed under Section 197 of the Companies Act.

During Fiscal 2025, he has received a remuneration of ₹ 12.46 million from our Company.

Terms of appointment of our Independent Director

Pursuant to the resolution passed by our Board on December 1, 2025, our Independent Directors are entitled to sitting fee of ₹0.025 million for attending meetings of the Board of Directors and/or its committees, with effect from December 1, 2025.

Our Company has not paid any sitting fees to our Independent Directors for Fiscal 2025.

Remuneration paid or payable to our Directors by subsidiary and/or associate company

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary or associate company.

Contingent or deferred compensation payable to our Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our 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.

Bonus or profit-sharing plan of the Directors

Except for the bonus payable pursuant to the HR policies applicable to the employees of the Company, our Company does not have any bonus or profit-sharing plan for Directors. For further details, see *"–**Terms of appointment of our Directors**"* on page 227.

Shareholding of Directors in our Company

Except as disclosed in "***Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company***" on page 89, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Interest of Directors

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any, and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Director and Whole-time Director are interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company and all our Non – Executive Directors are interested to the extent of sitting fees payable to them for attending meetings of our Board or a Committee thereof, payable to them by our Company under their respective appointment resolutions or appointment letters. See "- ***Terms of appointment of our Directors***" on page 227.

Our Directors may also be deemed to be interested to the extent of Equity Shares (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives.

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors and/or as Key Managerial Personnel.

Our Chairman and Managing Director, Gopal Krishan Kothari and our Executive Director, Amit Kothari are also be deemed to be interested to the extent of loans granted by them and their relatives to our Company. For further details, see "***Other Financial Information – Related Party Transactions***" on page 321.

Interest in land and property

Except as disclosed below, none of our Directors are interested directly or indirectly in any of the property of our Company:

i. Our Company has entered into a rent agreement dated February 1, 2026, with Nand Lal Kothari, brother of Gopal Krishan Kothari, the Chairman and Managing Director of our Company. Pursuant to such agreement, our Company has taken on rent a portion of property situated at A-8, Maya Puri Industrial Area, Phase-I, New Delhi – 110064, for the purpose of maintaining its Registered Office, for a term of 11 months, commencing February 1, 2026 and a total rent of ₹ 0.11 million shall be payable to Nand Lal Kothari.

ii. Our Company has entered into a rent agreement dated July 3, 2023, with Tamanna Kothari, daughter of Amit Kothari, the Executive Director of our Company. Pursuant to such agreement, our Company has taken on rent a flat situated at Flat No – 1201, 12th Floor, Tower Mulberry-4, Centra Greens, Ludhiana, Punjab, India, for the purpose of maintaining its Guest House commencing from July 1, 2023, and pays an annual rent of ₹6.60 million, payable on a monthly basis, to Tamanna Kothari.

Interest of Directors in the promotion or formation of our Company

Except Gopal Krishan Kothari and Amit Kothari who are the Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus. Also see, "***Our Promoters and Promoter Group***" on page 240.

Business interest

Except in the ordinary course of business and as disclosed in "***Other Financial Information – Related Party Transactions***" on page 321, our Directors do not have any other business interest in our Company.

Loans to Directors

Our Directors have not availed any loans from our Company.

Other confirmations

Except as disclosed above in '***Interest of Directors – Interest in Land and Property***', none of our Directors have conflict of interest with the lessors of immovable property of our Company (crucial for operations of the Company).

Except as disclosed above in '***History and Certain Corporate Matters – Other Confirmations***', none of our Directors have conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of the Company).

Changes to our Board in the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of Change	Reason
Gopal Krishan Kothari	August 16, 2025	Re-appointed as Chairman and Managing Director
Amit Kothari	August 16, 2025	Re-appointed as Executive Director
Naveen Behl	August 16, 2025	Re-appointed as Whole- time Director
Jatender Kumar Mehta	April 29, 2025	Appointed as Additional Director (Non-Executive & Independent)
Pankaj Periwal	December 19, 2024	Appointed as Additional Director (Non-Executive & Independent)
Mohina	December 19, 2024	Appointed as Additional Director (Non-Executive & Independent)
Amanat Kothari	December 14, 2024	Resignation as Non – Executive Director
Tamanna Kothari	December 14, 2024	Resignation as Executive Director
Manohar Lal Dhiman	December 14, 2024	Resignation as Executive Director
Amanat Kothari	July 11, 2024	Appointed as Additional Director (Non – Executive)
Gobind Singh Kapoor	March 9, 2024	Resignation as Executive Director

Note: This table does not include changes pertaining to regularization of appointments

Borrowing powers of our Board

In accordance with the Articles of Association of our Company Section 179, Section 180(1)(c) and other applicable provisions of the Companies Act, and pursuant to a resolution passed by the our Board on August 13, 2025 and the Shareholders of our Company on August 16, 2025 our Board is authorised to borrow such sum or sums of money or monies not exceeding ₹ 4,000 million including the money already borrowed by our Company, on such terms and conditions and whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever or in respect of all, or any of the Company's assets and effects or properties whether moveable or immoveable, including stock-in-trade notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) and remaining un discharged at any given time, may exceed the aggregate, for the time being, of the paid up capital of our Company and its free reserves as per its latest annual audited financial statements.

Corporate governance

In addition to the Companies Act, 2013, the provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the said requirements of corporate governance including with respect to composition of the Board and constitution of the committees of the Board, including the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility Committee by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations and Companies Act, 2013. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

As on the date of this Draft Red Herring Prospectus, our Board has six Directors comprising of our Chairman and Managing Director, one Executive Director, one Whole-time Director, three Independent Directors (including one woman Independent Director). In compliance with Section 152 of the Companies Act, not less than two-thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(i) Audit Committee;

(ii) Nomination and Remuneration Committee;

(iii) Stakeholders' Relationship Committee; and

(iv) Corporate Social Responsibility Committee.

Audit Committee

The Audit Committee was constituted by our Board at its meeting held on January 6, 2025 and its terms of reference were last amended pursuant to resolution of our Board dated August 18, 2025. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations.

The members of the Audit Committee are:

Name of the Director	Position in the Committee	Designation
Pankaj Periwal	Chairman	Independent Director
Mohina	Member	Independent Director
Naveen Behl	Member	Whole-time Director

The Company Secretary shall act as the secretary to the Audit Committee.

Scope and terms of reference:

The terms of reference of the Audit Committee include the following:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

2. Recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditor and the fixation of the audit fee of the Company;

3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;

5. To approve the key performance indicators being included in the offer documents in connection with the proposed initial public offer by the Company;

6. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

7. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (a) 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 Section 134 (3) of the Companies Act, 2013;

   (b) Changes, if any, in accounting policies and practices and reasons for the same;

   (c) Major accounting entries involving estimates based on the exercise of judgment by management;

   (d) Significant adjustments made in the financial statements arising out of audit findings;

   (e) Compliance with listing and other legal requirements relating to financial statements;

   (f) Disclosure of any related party transactions; and

   (g) Modified opinion(s) in the draft audit report.

8. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

10. Reviewing, with the management, the statement of uses/ application of funds raised through an Offer (public issue, rights issue, preferential issue, etc.), the statement of funds utilized 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;

11. 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

12. Reviewing, at least on a quarterly basis, the details of the related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

13. Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions;

14. Scrutinising of inter-corporate loans and investments;

15. Valuation of undertakings or assets of the Company, wherever it is necessary;

16. Evaluating of internal financial controls and risk management systems;

17. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances, 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;

18. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

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. 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;

24. 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;

25. Reviewing the functioning of the whistle blower mechanism;

26. 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;

27. Monitoring the end use of funds raised through public offers and related matters;

28. 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;

29. 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 Listing Regulations or by any other regulatory authority;

30. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law;

31. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

32. Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI LODR Regulations;

33. 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;

34. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

35. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI LODR Regulations or any other applicable law, as and when amended from time to time.

Powers of the Audit Committee

1. To investigate any activity within its terms of reference;

2. To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;

3. To obtain outside legal or other professional advice;

4. To secure attendance of outsiders with relevant expertise if it considers necessary;

5. To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company; and

6. Such other powers as may be prescribed under the Companies Act and SEBI LODR Regulations.

Reviewing Powers

1. Management's discussion and analysis of financial condition and results of operations;

2. Management letters/letters of internal control weaknesses issued by the statutory auditors;

3. Internal audit reports relating to internal control weaknesses;

4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

5. Statement of deviations:

    i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and

    ii. annual statement of funds utilized for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations.

6. Review the financial statements, in particular, the investments made by any unlisted subsidiary."

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by our Board at its meeting held on January 6, 2025, and its terms of reference were last amended pursuant to a resolution of our Board dated August 18, 2025. The Nomination and Remuneration Committee is in compliance with Section 178 and other applicable provisions of Companies Act, 2013 and the rules made there under and Regulation 19 of SEBI Listing Regulations.

The members of the Nomination and Remuneration Committee are:

Name of the Director	Position in the Committee	Designation
Jatender Kumar Mehta	Chairman	Independent Director
Pankaj Periwal	Member	Independent Director
Mohina	Member	Independent Director

Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

    The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

    i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

    ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    iii. 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;

2. 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:

    i. use the services of an external agencies, if required;

    ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

    iii. consider the time commitments of the candidates.

3. Formulating of criteria for evaluation of the performance of the independent directors and the Board;

4. Devising a policy on Board diversity;

5. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance of Board, 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;

6. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI LODR Regulations or any other applicable law, as and when amended from time to time;

8. Analysing, monitoring and reviewing various human resource and compensation matters;

9. 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;

10. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

12. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended including the following:

    i. administering any existing and proposed employee stock option schemes formulated by the Company from time to time (the "**Plan**");

    ii. determining the eligibility of employees to participate under the Plan;

    iii. granting options to eligible employees and determining the date of grant;

    iv. determining the number of options to be granted to an employee;

    v. determining the exercise price under the Plan; and

    vi. construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.;

13. Administering monitoring and formulating detailed terms and conditions the employee stock options scheme/ plan approved by the board and the members of the company in accordance with the terms of such scheme/ plan ("**ESOP Scheme**"), if any;

14. Construing and interpreting the ESOP Schemes and any agreements defining the rights and obligations of the company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Schemes;

15. Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

16. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

17. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and

18. Recommend to the Board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary.

Stakeholders' Relationship Committee

The Stakeholders Relationship Committee was constituted by our Board at its meeting held on April 29, 2025 and its terms of reference were last amended pursuant to resolution of our Board dated August 18, 2025. The Stakeholders Relationship Committee is in compliance with Section 178 and other applicable provisions in the Companies Act 2013 and the rules made there under and Regulation 20 of SEBI Listing Regulations.

The members of the Stakeholders' Relationship Committee are:

Name of the Director	Position in the Committee	Designation
Pankaj Periwal	Chairman	Independent Director
Amit Kothari	Member	Executive Director
Naveen Behl	Member	Whole-time Director

Scope and terms of reference:

The terms of reference of the Stakeholders' Relationship Committee include the following:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, and assisting with quarterly reporting of such complaints etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

4. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;

5. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

6. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

7. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

8. To approve, register, refuse to register transfer or transmission of shares and other securities 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;

9. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

10. Allotment and listing of shares;

11. To authorise affixation of common seal of the Company;

12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

14. To dematerialize or rematerialize the offered shares;

15. Ensure proper and timely attendance and redressal of investor queries and grievances;

16. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and

17. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board at its meeting held on April 5, 2015 and reconstituted at its meeting held on January 6, 2025. The composition and terms of reference of the Corporate Social Responsibility Committee were last amended pursuant to resolution of our Board dated August 18, 2025. The scope and functions of the Corporate Social Responsibility Committee are in compliance with section 135 and other applicable Provisions of the Companies Act, 2013 and the rules made thereunder.

The members of the Corporate Social Responsibility Committee are:

Name of the Director	Position in the Committee	Designation
Naveen Behl	Chairman	Whole-time Director
Amit Kothari	Member	Executive Director
Pankaj Periwal	Member	Independent Director

Scope and terms of reference:

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. Formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;

2. Formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes to be undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects.

   a) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

   b) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

   c) the modalities of utilization of funds and implementation schedules for the projects or programmes;

   d) monitoring and reporting mechanism for the projects or programmes; and

   e) details of need and impact assessment, if an, for the projects undertaken by the company.

3. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

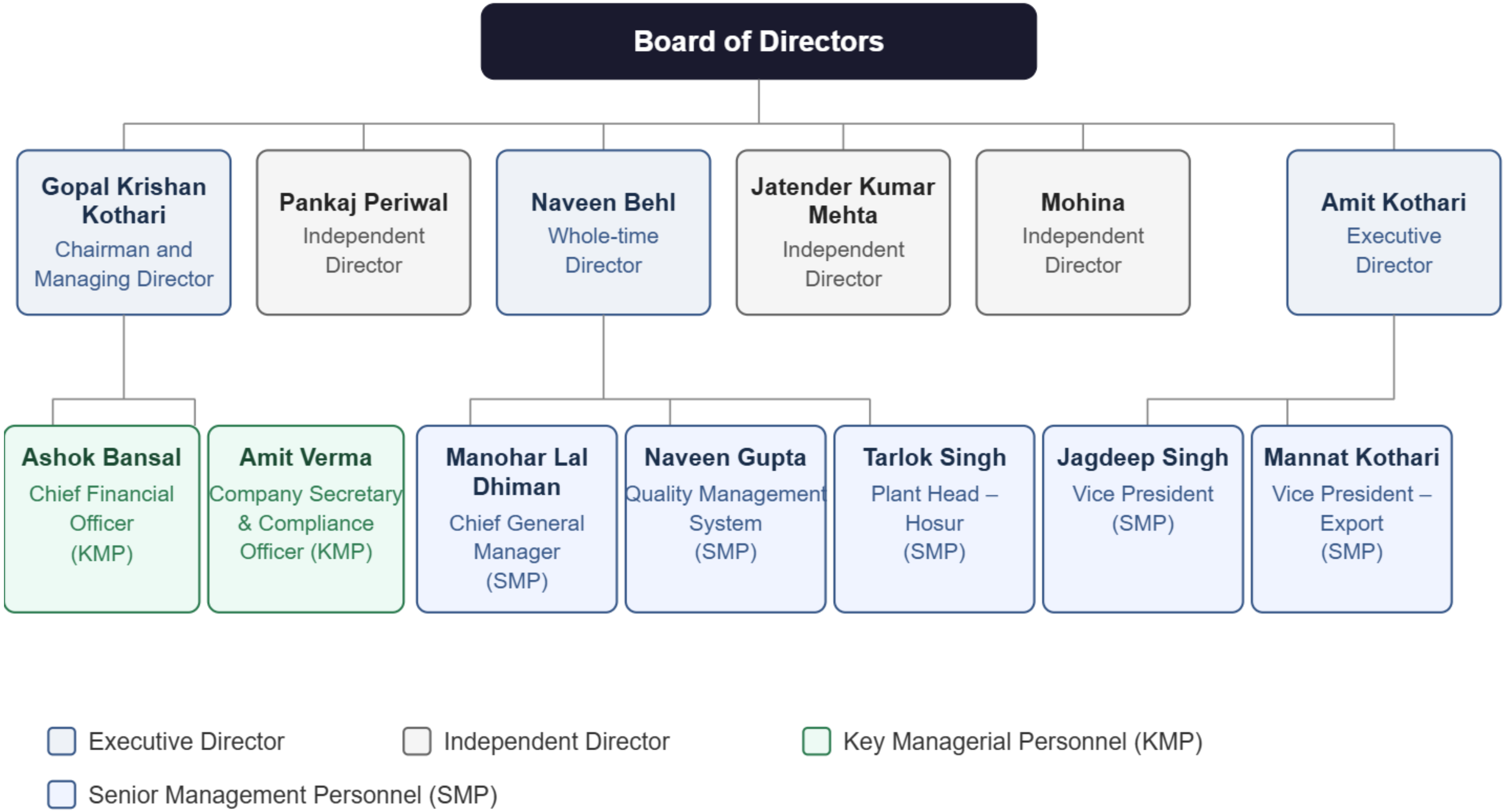
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

6. To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;

7. To monitor the CSR Policy and its implementation by the Company from time to time; and

8. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.

Management Organisation Chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Gopal Krishan Kothari, our Chairman and Managing Director, and Naveen Behl, our Whole-time Director, whose details are mentioned above under "***– Brief profiles of our Directors***" on page 226, the details of our Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as follows:

Ashok Bansal is the Chief Financial Officer of our Company. He has been associated with our Company since August 2, 2025. He holds a bachelor's degree in commerce from R.S.D. College, Ferozepur, Panjab University, and is a fellow member of the Institute of Chartered Accountants of India. He has over 22 years of experience in the finance sector. He was previously associated with our Company as our internal auditor since 2014. He has not received any remuneration in Fiscal 2025 as he has been appointed as our Chief Financial Officer in Fiscal 2026.

Amit Verma is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since November 11, 2024. He holds a bachelor's degree in commerce from G.G.N. Khalsa College, Ludhiana, Panjab University, and master's degree in business administration from Institute of Distance & Online Learning, Chandigarh University, and is an associate member of the Institute of Company Secretaries of India. He has about two years of experience in corporate secretarial and compliance. Prior to joining our Company, he was associated with M/s. Lal Ghai and Associates, Company Secretaries. He received a total remuneration of ₹ 0.23 million in Fiscal 2025 from our Company.

Senior Management

In addition to Ashok Bansal, the Chief Financial Officer and Amit Verma, the Company Secretary and Compliance Officer of our Company, our Key Managerial Personnel, whose details are mentioned above, the details of our Senior Management, as on the date of this Draft Red Herring Prospectus, are as set forth below:

Mannat Kothari is the Vice President (Exports) of our Company. She has been associated with our Company since May 1, 2000. She is responsible for overseeing all international shipment processes and managing global customer relationships**.** She holds a master's degree in business administration from Technological Institute of Textile & Science, Bhiwani, Maharshi Dayanand University, Rohtak. She has over 25 years of experience in the automotive sector. She received a total remuneration of ₹ 4.07 million in Fiscal 2025 from our Company.

Jagdeep Singh is the Vice President (Administration) of our Company. He has been associated with our Company since January 1, 1994. He is responsible for managing the overall administration functions across facilities to ensure smooth business operations of our Company**.** He holds a trade certificate in Draughtsman (Machine) from Industrial Training Institute, Yamuna Nagar. He has over 31 years of experience in the automotive sector. He received a total remuneration of ₹ 3.18 million in Fiscal 2025 from our Company.

Manohar Lal Dhiman is the Chief General Manager of our Company. He has been associated with our Company since June 1, 1988. In our Company, he oversees all accounts, ledgers and reporting systems ensuring compliance with accounting standards and regulatory requirements. He holds a bachelor's degree in commerce from Guru Nanak Dev University, Punjab and a master's degree in business administration from Punjabi University, Patiala. He has over 37 years of experience in the automotive sector. He received a total remuneration of ₹ 3.63 million in Fiscal 2025 from our Company.

Tarlok Singh is the Plant Head of our Hosur Facilities. He has been associated with our Company since April 1, 1997. He oversees end-to-end plant operations to ensure seamless production and quality output. He holds a diploma in mechanical engineering from the Guru Nanak Dev Polytechnic, Ludhiana, Punjab. He has over 32 years of experience in the automotive sector. He received a total remuneration of ₹ 2.63 million in Fiscal 2025 from our Company.

Naveen Gupta is the General Manager - Quality Management System of our Company. He has been associated with our Company since December 8, 1998. In our Company, he handles quality management system and ensure adherence to organisational quality standards. He holds a diploma in tool and die technology from the Central Tool Room, Ludhiana, Punjab. He has over 26 years of experience in the quality management system sector. He received a total remuneration of ₹ 2.69 million in Fiscal 2025 from our Company.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Relationship amongst Key Managerial Personnel and Senior Management

Except as disclosed in "– ***Relationship between our Directors, Key Managerial Personnel and Senior Management***" on page 226, none of our Key Managerial Personnel and Senior Management are related to each other.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been appointed pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of Key Managerial Personnel and Senior Management

Other than as provided under ***"Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company"*** on page 89, none of our Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service contracts with Key Managerial Personnel and Senior Management

The Key Managerial Personnel or Senior Management have not entered into a service contract with our Company pursuant to which they are entitled to any benefits upon retirement or termination of their employment.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to the Key Managerial Personnel and Senior Management, which does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company other than bonus payable pursuant to the HR policies applicable to the employees of the Company given to the Key Managerial Personnel and Senior Management.

Interests of Key Managerial Personnel and Senior Management

Other than as disclosed in "***– Interest of Directors***" on page 228, our Key Managerial Personnel (other than our Directors) and Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment interest of receiving dividends on the Equity Shares held by them, if any and reimbursement of expenses incurred by them during the ordinary course of their service. Further, some of our Key Managerial Personnel and Senior Management are interested to the extent of Equity Shares held by them (together with dividends in respect of such Equity Shares, if any), their relatives or by entities in which they are associated as a director and to the extent of benefits arising out of such shareholding.

Certain of our Key Managerial Personnel and Senior Management may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they are members or any partnership firm in which they are partners in the ordinary course of business. For further details, please see "***Restated Financial Information - Note 43 – Related Party Disclosures***" in the chapter titled "***Restated Financial Information***" on page 304.

Changes in the Key Managerial Personnel or Senior Management in last three years

Other than as disclosed in "***Our Management – Changes to our Board in the last three years***" on page 229, the changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus, are set out below:

Name	Date of appointment/ resignation	Designation (at the time of appointment/ resignation)
Ashok Bansal	August 2, 2025	Appointed as Chief Financial Officer
Tarlok Singh	April 1, 2025	Appointed as Plant Head of our Hosur Facilities
Manohar Lal Dhiman	December 15, 2024	Appointed as Chief General Manager
Amit Verma	November 11, 2024	Appointed as Company Secretary

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Payment or benefit to Key Managerial Personnel and Senior Management of our Company

No non-salary related amount or benefit has been paid or given within the two years preceding the date of this Draft Red Herring Prospectus or intended to be paid or given to any officer of our Company, including our Key Managerial Personnel and Senior Management, other than in the ordinary course of their employment, for services rendered as officers of our Company and as disclosed in "***Restated Financial Information – Note 43 - Related Party Disclosures"*** on page 304.

Employee stock option scheme

Our Company currently does not have any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Gopal Krishan Kothari and Amit Kothari are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 42,580,480 Equity Shares of face value of ₹5 each, representing 92.62% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company on a fully diluted basis, as set out below:

S. No.	Name of Promoter	Number of Equity Shares of face value of ₹ 5 each	Percentage of the Equity Share capital (on a fully diluted basis) (%)
1.	Gopal Krishan Kothari	40,011,520	87.03
2.	Amit Kothari	2,568,960	5.59
Total		**42,580,480**	**92.62**

For more details, see *"**Capital Structure- Notes to Capital Structure - 6. Details of build-up, contribution and lock-in of Promoters' shareholding and lock-in of other Equity Shares**"* beginning on page 81.

Details of our Promoters are as follows:

Individual Promoters

Gopal Krishan Kothari

Gopal Krishan Kothari born on October 24, 1954, aged 71 years, is one of our Promoters and is also the Chairman and Managing Director of our Company. For the complete profile of Gopal Krishan Kothari along with details of his residential address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "***Our Management – Board of Directors***" on page 224.

His PAN is ABWPK0789R.

Amit Kothari

Amit Kothari born on January 13, 1978, aged 48 years, is one of the Promoters and is also the Executive Director of our Company. For the complete profile of Amit Kothari along with details of his, residential address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "***Our Management – Board of Directors***" on page 224.

His PAN is ACFPK9009A.

Our Company confirms that the permanent account numbers, bank account numbers, Aadhaar card numbers, driving license numbers and passport numbers of our Promoters shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in this section under "- ***Entities forming part of the Promoter Group***" on page 242 and in "***Our Management – Board of Directors***" on page 224, our Promoters are not involved in any other ventures.

Change in control of our company

There has been no change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of our Promoters and common pursuits

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) of their respective shareholding in our Company, directly or indirectly, including the dividend payable, if any and other distributions in respect of the Equity Shares held by them in our Company from time to time, (iii) of their directorship that they may hold in our Company and to the extent of remuneration payable to them in this regard, and (iv) payments made for services rendered by entities in which our Promoters have been interested in. Additionally, our Promoters may be interested in transactions entered into by our Company with them, their relatives or other entities (a) in which our Promoters hold shares, directly or indirectly or (b) which are controlled by our Promoters. For details on shareholding of our Promoters in our Company, see "***Capital Structure – Notes to Capital Structure - 6. Details of build-up, contribution and lock-in of Promoters' shareholding and lock-in of other Equity Shares***", "***History and Certain Corporate Matters***" and "***Our Management - Interest of Directors***" on pages 81, 220 and 228, respectively.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Our individual promoters may also be deemed to be interested to the extent of remuneration, benefits and reimbursement of expenses incurred by them as Directors on our Board. For further details, see "***Our Management – Interest of Directors***" on page 228.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Interest in acquisition of land, construction of building and supply of machinery

Except as stated in *"**Our Management – Interest of Directors- Interest in land and property**"* and "***Other Financial Information – Related Party Transactions***" on page 229 and page 321, respectively, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Companies or firms from which our Promoters have disassociated in the last three years

None of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

Payment or Benefits to Promoters or members of Promoter Group

Except in the normal course of business and as stated in "***Other Financial Information – Related Party Transactions***" on page 321, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoter to the third parties with respect to the Equity Shares

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Confirmations

Except as disclosed above in '***History and Certain Corporate Matters – Other Confirmations***', there is no conflict of interest between our Promoters or members of our Promoter Group and the suppliers of raw materials and third-party service providers (crucial for the operations of our Company).

Except as disclosed in "***Our Management – Interest of Directors- Interest in land and property"***, there is no conflict of interest between our Promoters or members of our Promoter Group and lessors of the immovable properties, which are crucial for the operations of our Company.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are a part of the Promoter Group.

The natural persons forming part of the Promoter Group, other than our Promoters, are as follows:

S. No	Name of the Promoter	Relationship with Promoter	Name of the member of our Promoter Group
1.	Gopal Krishan Kothari	Spouse	Madhu Kothari
		Mother	Shanti Devi Kothari
		Brother	Shyam Sunder Kothari
			Nand Lal Kothari
			Ramesh Chandra Kothari
		Daughter	Rakhi Oswal
		Spouse's Mother	Savitri Devi
2.	Amit Kothari	Spouse	Mannat Kothari
		Mother	Madhu Kothari
		Sister	Rakhi Oswal
		Son	Armaan Kothari (Minor)
		Daughter	Amanat Kothari
			Tamanna Kothari
		Spouse's Mother	Sumitra Mohta
		Spouse's Father	Krishan Kumar Mohta
		Spouse's Sister	Shriya Saboo
			Ritu Mundra

Entities forming part of the Promoter Group

The entities forming part of the Promoter Group are as follows:

(1) Altfort Merchants Private Limited

(2) Amit Kothari (HUF)

(3) Gaurishakti Textile Trading Private Limited

(4) Kothari Foods Private Limited

(5) M/s Amrante Trust

(6) M/s Classic Products

(7) M/s Dream Designs Delivered

(8) M/s G K Kothari & Sons

(9) M/s Kothari Exports INC

(10) M/s Kothari Marbles

(11) M/s Krishiv Foundation

(12) M/s Pure Infratech

(13) M/s Queen of Arts

(14) M/s Shiva Shakti Industries

(15) M/s SNS Real Estates

(16) Oswal Infratech Private Limited

(17) Oswal Tradecom Private Limited

(18) Sapna International LLP

(19) Super Shakti Enterprises Private Limited

(20) Vardhman Amrante Private Limited

(21) Vikram Coal Carriers Private Limited

(22) Woodidea Floorings LLP

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoter(s) and subsidiaries) with which there were related party transactions during the period for which financial information is disclosed in this Draft Red Herring Prospectus, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Additionally, for the purposes of (ii) above, pursuant to the Materiality Policy, our Board in its meeting held on March 5, 2026, has considered such companies (other than companies categorized under (i) above) and shall be disclosed as group companies in this Draft Red Herring Prospectus if: (i) the Company has entered into related party transactions with companies (other than its subsidiaries) as described under Ind AS 24 with such company during any of the financial periods being included in the Offer Documents; and (ii) a company which is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and the Company has entered into one or more transactions with such company during the most recent financial year and the stub period, if any, in respect of which Restated Financial Information are included in the Offer Documents, which cumulatively exceeds 10% of the turnover of the Company for such period as derived from the Restated Financial information; and (iii) any other company as may be identified as material by the Board.

Accordingly, our Board in its meeting held on March 5, 2026**,** has identified Oswal Industrial Enterprise Private Limited as our Group Company for the purpose of this Draft Red Herring Prospectus:

Details of our Group Company

1. Oswal Industrial Enterprise Private Limited

Corporate Information

The registered office of Oswal Industrial Enterprise Private Limited is situated at 305, Ansal Bhawan 16 K G Marg, Central Delhi, New Delhi - 110001, India

Nature of Business

Oswal Industrial Enterprise Private Limited is engaged in the business of trading in textile and hosiery products.

Financial Information

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit/(loss) after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value derived from the audited financial statements of our Group Company for the preceding three years, is available on the website of our Company at www.kayjayforgings.com.

Our Company has provided link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Company and other information provided on the website given above does not constitute a part of this Draft Red Herring Prospectus. The information provided on the website given above should not be relied upon or used as a basis for any investment decision.

Nature and extent of interests of our Group Company

In the promotion of our Company

As on the date of this Draft Red Herring Prospectus, our Group Company does not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Company is not interested in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery etc

Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc. entered by our Company.

Business interest of our Group Company

Except as disclosed under "***Restated Financial Information – Note 43 - Related Party Disclosures***" on page 304 and in the ordinary course of business, our Group Company does not have any business interest in our Company.

Related business transactions with our Group Company and significance on the financial performance of our Company

Except as disclosed in "***Restated Financial Information – Note 43 - Related Party Disclosures***" on page 304, there are no related business transactions with our Group Company which are significant to the financial performance of our Company.

Common pursuits among the Group Company and our Company

There are no common pursuits between the Group Company and our Company

Other confirmations

Our Group Company does not have any securities listed on any stock exchange.

Further, our Group Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

Neither our Group Company nor any of its directors are interested in, and there is no conflict of interest with, any suppliers of raw materials and third-party service providers (which are crucial for operations of our Company).

Neither our Group Company nor any of its directors are interested in, and there is no conflict of interest with, any lessors/ owners of any immovable properties (who are crucial for operations of our Company).

Litigation

As on date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which has a material impact on our Company.

DIVIDEND POLICY

Our Company has adopted a dividend distribution policy ("**Dividend Policy**") pursuant to a resolution of the Board dated August 2, 2025. 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 laws, including the Companies Act, 2013 read with the rules notified thereunder, each as amended.

In terms of our Dividend Policy, the quantum of dividend, if any, and our ability to pay dividends will depend on several factors, including but not limited to (i) internal factors, such as the funding requirements, profits earned and distributable surplus during the year accumulated earnings, earnings stability, future cash requirements for organic growth/expansion and/or for inorganic growth, capital restructuring, debt reduction, crystallization of contingent liabilities liquidity and cash flow position; and (ii) external factors such as economic environment, capital markets, statutory provisions or guidelines, changes in government policies, industry specific rulings and regulatory provisions, industry outlook or any other factor as deemed fit by our Board. 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.

The dividend pay-out shall be determined by the Board after taking into account a number of factors, including but not limited to (i) internal factors such as overall financial position of the Company, funds required to service any outstanding loans, funds required for functioning of the subsidiaries, buy-back plans, investments including mergers and acquisitions; and (ii) external factors such as any significant changes in laws, any significant change in the industry, geopolitical conditions, other political challenges and unforeseen events. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

In addition, our ability to pay dividends may be impacted by a number of external factors, including significant macro-economic environment, regulatory and technological changes, and restrictive covenants under the loan or financing arrangements, our Company is currently availing of or may enter into, to finance our fund requirements for our business activities. For further details, see "***Financial Indebtedness***" on page 325.

Our Company has not declared and paid any dividends on the Equity Shares during the six month period ended September 30, 2025, and the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023, and from October 1, 2025, until the date of this Draft Red Herring Prospectus. There is no guarantee that any dividends will be declared or paid by our Company in the future. For details, see "***Risk Factors – Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements***." on page 53.

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. Our Company may from time to time, pay interim dividends. 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. Accordingly, our Company may not distribute dividends when there is absence or inadequacy of profits and free reserves.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

To,
The Board of Directors
Kay Jay Forgings Limited
A-8, Mayapuri, Industrial Area- Phase-1,
New Delhi, Delhi-110064, India.

Dear Sir's / Madam's,

1. We, Goyal Sanjay & Associates, have examined the attached Restated Financial Information of **Kay Jay Forgings Limited** (formerly known as Kay Jay Forgings Private Limited), (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31 2024 and March 31, 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Cash Flows and Restated Statement of Changes in Equity for the six months ended September 30, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, and the Material Accounting Policies and other explanatory information (collectively, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on March 5, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares (the "**Offer**") prepared in terms of the requirements of:

   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 ("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) E-mail dated October 28, 2021 from Securities and Exchange Board of India ('SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure that companies provide financial statements prepared in accordance with Indian Accounting Standards ("Ind-AS") for all the three years and stub period (hereinafter referred to as the "SEBI e-mail")

2. The Company's Board of Directors ("Board") is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited in connection with the proposed Offer.

   The Restated Financial Information has been prepared by the management of the Company on the basis of preparation, as stated in Annexure-V to the Restated Financial Information. The Board's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, the Guidance Note and the SEBI e-mail.

Auditors' Responsibilities

3. We have examined such Restated Financial Information taking into consideration –

   a) The terms of reference and terms of our engagement agreed with you vide our engagement letter dated June 30, 2025, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b) The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act, the ICDR Regulations and the SEBI e-mail.

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 in connection with the proposed Offer.

Restated Financial Information

4. This Restated Financial Information has been compiled by the management of the Company from –

   a) Audited Special Purpose Ind AS Interim Financial Statements of the Company as at and for the six months period ended September 30, 2025 were prepared in accordance with the Ind AS 34 "Interim Financial Reporting", specified under Section 133 of the Act and other accounting principles generally accepted in India ("Special Purpose Interim Financial Statements") which have been approved by the Board of Directors at their meetings held on **February 2, 2026**.

   b) Audited Financial Statements of the Company as at and for the year ended March 31, 2025 were prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on **August 13, 2025**.

   c) Audited Special Purpose Ind AS Financial Statements of the Company as at and for the year ended March 31, 2024 and March 31, 2023 were prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on **September 30, 2025**.

5. We have re-audited for the Special Purpose Financial Information of the Company for the year ended March 31, 2024 and March 31, 2023 prepared by the Company in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, 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 on this special purpose financial information to the Board of Directors who have approved these Special Purpose Financial Information in their meeting held on September 30, 2025.

Auditor's Report

6. For the purpose of our examination, we have relied on:

   a) Report on Special Purpose Financial Statements issued by us, dated February 2, 2026, on the Re-Audited Ind AS Financial Statements of the Company as at and for the period ended September 30, 2025 as referred in Paragraph 4(a) above.
   b) Auditor's Report issued by us, dated August 13, 2025, on the Audited Ind AS Financial Statements of the Company as at and for the year ended March 31, 2025 as referred in Paragraph 4(b) above.
   c) Report on Special Purpose Financial Statements issued by us, dated September 29, 2025, on the Re-Audited Ind AS Financial Statements of the Company as at and for the year ended March 31, 2024 as referred in Paragraph 4(c) above.
   d) Report on Special Purpose Financial Statements issued by us, dated September 29, 2025, on the Re-Audited Ind AS Financial Statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4(c) above.

7. Based on our examination and according to the information and explanations given to us, we report that Restated Financial Information of the Company –

   (i) 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, 2025, March 31, 2024, and

March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at for the six months period ended September 30, 2025;

(ii) Does not contain any qualification or modifications requiring adjustments.

(iii) Have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2025. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date for any period subsequent to September 30, 2025.

9. This Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates as mentioned in paragraph 4 above.

10. 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.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for the use of the Board for inclusion in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed Offer. 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 except with our prior consent in writing.

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

Davinder Goyal
Partner
Membership No: 091278

Place: Ludhiana
Date: March 5, 2026

KAY JAY FORGINGS LIMITED
(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)
CIN: U74899DL1983PLC029298
Annexure I- Restated Summary Statement of Assets and Liabilities
(All amounts in INR millions, unless otherwise stated)

Particulars	Note No.	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2.1	1,734.11	1,856.17	1,550.81	1,303.55
Intangible Assets	2.2	3.28	2.12	2.54	3.12
Capital Work in Progress	2.3	185.79	113.22	10.82	66.44
Right of Use Assets	2.4	3.58	4.23	5.53	6.78
		1,926.76	**1,975.74**	**1,569.69**	**1,379.89**
Financial Assets					
(i) Non Current Investments	3	2.80	2.51	2.26	1.39
(ii) Other Financial Assets	4	43.88	41.48	33.70	28.46
(iii) Lease Receivables	5	-	-	-	2.30
		46.68	**43.98**	**35.96**	**32.15**
Other Non Current Assets	6	101.42	49.47	193.37	382.79
Total Non-Current Assets		**2,074.86**	**2,069.19**	**1,799.03**	**1,794.83**
Current Assets					
Inventories	7	974.29	1,040.88	897.80	748.01
Financial Assets					
(i) Trade Receivables	8	750.10	547.11	457.74	444.87
(ii) Cash and Cash Equivalents	9	184.60	73.87	246.69	189.91
(iii) Other Balances with Banks	10	0.49	0.48	0.46	0.44
(iv) Short-term Loans and Advances	11	78.27	19.62	22.76	40.61
(v) Lease Receivables	5	-	-	2.30	2.12
(vi) Other Financial Assets	4	17.79	11.07	5.18	2.81
Other Current Assets	12	75.37	64.09	49.83	48.58
Total Current Assets		**2,080.92**	**1,757.12**	**1,682.76**	**1,477.34**
TOTAL ASSETS		**4,155.77**	**3,826.31**	**3,481.78**	**3,272.00**
B. EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	13	229.88	14.37	14.37	14.37
Other Equity	14	1,612.32	1,614.34	1,327.35	1,090.08
Total Equity		**1,842.20**	**1,628.71**	**1,341.72**	**1,104.44**
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
(i) Borrowings	15	658.57	551.66	709.77	824.77
(ii) Lease Liabilities	16	3.47	3.63	4.56	3.39
Deferred Tax Liabilities (net)	17	9.01	15.22	18.86	28.74
Long-term Provision - Gratuity	18	17.29	19.16	15.63	25.08
Total Non-Current Liabilities		**688.34**	**589.66**	**748.81**	**881.99**
Current Liabilities					
Financial Liabilities					
(i) Borrowings	19	179.49	467.17	403.95	598.38
(ii) Trade Payables :-	20				
(A) Total Outstanding Dues of Micro and Small Enterprises		134.26	101.38	99.44	39.60
(B) Total Outstanding Dues of Creditors Other than Micro and Small Enterprises		620.50	491.81	501.87	383.83
(iii) Lease Liabilities	16	0.45	0.93	1.22	3.76
(iv) Other Financial Liabilities	21	283.22	249.34	98.90	48.32
Other Current Liabilities	22	268.90	224.06	214.79	157.73
Short-term Provisions	23	138.43	73.25	71.08	54.12
Total Current Liabilities		**1,625.24**	**1,607.95**	**1,391.25**	**1,285.74**
Total Liabilities		**2,313.58**	**2,197.61**	**2,140.07**	**2,167.73**
TOTAL EQUITY AND LIABILITIES		**4,155.77**	**3,826.31**	**3,481.78**	**3,272.00**
Corporate Information & Material Accounting Policies	1				

The above Statement should be read with the Annexure V- Material Accounting Policies and other explanatory Notes to Restated Summary Statements, Annexure VI Statement of Restatement Adjustments to Audited Financial Statements and Annexure VII - Notes to the Restated Summary Statements.
As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date : 5/3/2026

UDIN: 26091278NPEMST9762

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

KAY JAY FORGINGS LIMITED
(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)
CIN: U74899DL1983PLC029298
Annexure II- Restated Summary Statement of Profit and Loss
(All amounts in INR millions, unless otherwise stated)

Particulars	Note No.	For The Period Ended September 30, 2025	For The Year Ended March 31, 2025	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
A. INCOME					
Revenue from Operations	24	4,660.63	7,504.64	6,723.16	6,026.92
Other Income	25	9.90	17.47	32.59	21.62
TOTAL INCOME (A)		**4,670.53**	**7,522.11**	**6,755.76**	**6,048.54**
B. EXPENSES					
Cost of Materials Consumed	26	2,452.05	4,028.21	3,794.47	3,510.25
Purchases of Stock-in-Trade		-	-	-	-
Changes in Inventories of Finished Goods, Stock-in- Trade- and Work-in-Progress	27	72.66	(63.89)	(146.55)	(32.49)
Employee Benefits Expense	28	640.24	1,064.62	932.88	804.69
Finance Costs	29	59.29	121.41	132.64	120.88
Depreciation and Amortisation Expense	30	115.88	229.96	242.72	213.43
Other Expenses	31	1,050.07	1,760.72	1,495.27	1,243.63
TOTAL EXPENSES (B)		**4,390.17**	**7,141.04**	**6,451.43**	**5,860.38**
Profit before Exceptional Items and Tax		280.36	381.07	304.33	188.16
Exceptional Items		-	-	-	-
Profit/(Loss) before extraordinary items and tax		280.36	381.07	304.33	188.16
Extraordinary items		-	-	-	-
RESTATED PROFIT BEFORE TAX (C= A-B)		**280.36**	**381.07**	**304.33**	**188.16**
Tax expense:	33				
Current Tax		70.60	95.00	72.50	61.00
Less : MAT Credit		-	-	-	-
Deferred Tax		(3.80)	(4.08)	(9.43)	(11.00)
Tax in respect of earlier years (Net of Provision W/Back)		-	-	-	0.03
TOTAL TAX EXPENSE (D)		**66.80**	**90.92**	**63.07**	**50.03**
Profit for the year from Continuing Operations		213.57	290.15	241.26	138.13
Profit/(Loss) from Discontinuing operations (before tax)		-	-	-	-
Tax expense of Discontinuing operations		-	-	-	-
Profit/(Loss) from Discontinuing operations (after tax)		-	-	-	-
RESTATED PROFIT FOR THE YEAR (E = C-D)		**213.57**	**290.15**	**241.26**	**138.13**
Other Comprehensive Income (OCI)					
A (i) Items that will not be reclassified to profit and loss					
(a) Remeasurement gain/ (loss) on defined employee benefit plans		(2.47)	(2.72)	(4.44)	(2.61)
(ii) Add/less Income Tax effect on above:		2.40	(0.43)	0.46	0.47
B Items that may be reclassified to profit and loss		-	-	-	-
RESTATED OTHER COMPREHENSIVE INCOME/(LOSS) (F)		**(0.08)**	**(3.16)**	**(3.98)**	**(2.15)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (G=E-F)		**213.49**	**286.99**	**237.27**	**135.98**
Earnings per share: Nominal Value 5/- per share (in Rs.)	34				
(1) Basic		4.65	6.31	5.25	3.00
(2) Diluted		4.65	6.31	5.25	3.00

The above Statement should be read with the Annexure V- Material Accounting Policies and other explanatory Notes to Restated Summary Statements, Annexure VI Statement of Restatement Adjustments to Audited Financial Statements and Annexure VII - Notes to the Restated Summary Statements.

As per our report of even date

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Davinder Goyal
Partner
Membership No: 091278

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

Place : Ludhiana
Date : 5/3/2026

Annexure III- Restated Summary Statement of Cash Flows

(All amounts in INR millions, unless otherwise stated)

Particulars	For The Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES				
PROFIT BEFORE TAX	280.36	381.07	304.33	188.16
Adjustment for :				
Depreciation and Amortization Expense	115.88	229.96	242.72	213.43
Interest Paid	59.29	121.41	132.64	120.88
Interest Received	(3.02)	(13.67)	(24.84)	(21.04)
(Gain)/Loss in Fair Value of Investment	(0.29)	(0.04)	(0.87)	(0.14)
Actuarial Loss	(2.47)	(2.72)	-	-
(Gain)/Loss on Lease Modification	-	-	(0.30)	-
Unrealised (Gain)/Loss on Derivative Instruments	-	-	(2.25)	8.04
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**449.74**	**716.01**	**651.42**	**509.34**
Working capital adjustments:				
(Increase)/ Decrease in Trade Receivables	(186.47)	(89.38)	(12.92)	59.56
(Increase)/ Decrease in Inventories	66.59	(143.08)	(149.80)	(64.74)
(Increase)/ Decrease in Short Term Loans & Advances	(75.17)	3.15	14.41	180.51
(Increase)/ Decrease in Financial Assets & Other Current Assets	(20.41)	(25.63)	1.85	1.52
Increase/ (Decrease) in Financial Liabilities	33.88	150.44	(1.37)	(0.37)
Increase/ (Decrease) in Short-Term Borrowings & Other Payables	(17.97)	70.06	97.63	155.75
CASH GENERATED FROM OPERATIONS	**250.20**	**681.58**	**601.22**	**841.56**
Less: Income Tax Paid (Net of Refund)	70.60	95.00	72.50	61.03
CASH FLOW BEFORE EXTRAORDINARY ITEMS	0.00	586.58	528.72	780.53
EXTRAORINARY ITEMS	-	-	-	-
NET CASH FLOW FROM OPERATING ACTIVITES (A)	**179.60**	**586.58**	**528.72**	**780.53**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment,Intangible Assets, Right of use Asset & CWIP (Net of Sales)	(66.90)	(636.00)	(432.54)	(394.30)
(Increase)/Decrease in Non Current Assets & Investments	(51.94)	143.69	183.08	(303.32)
Interest Received	3.02	13.67	24.84	21.04
NET CASH FLOW/ (USED IN) INVESTING ACTIVITIES (B)	**(115.83)**	**(478.64)**	**(224.61)**	**(676.58)**
C. CASH FLOW FROM FINANCING ACTIVITES				
Proceeds from Issue of Share Capital	-	-	-	-
Proceeds from Long Term Borrowings (net)	106.91	(158.11)	(115.01)	192.71
Interest Paid	(59.11)	(120.99)	(128.68)	(129.28)
Lease Repayments (including interest)	(0.82)	(1.63)	(3.62)	(3.49)
NET CASH FLOW /(USED IN) FINANCING ACTIVITIES (C)	**46.98**	**(280.73)**	**(247.31)**	**59.94**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**110.75**	**(172.80)**	**56.80**	**163.89**
Cash and Cash Equivalents at the beginning of the year	74.35	247.14	190.34	26.45
Cash and Cash Equivalents at the end of the year	185.09	74.35	247.14	190.34

The above Statement should be read with the Annexure V- Material Accounting Policies and other explanatory Notes to Restated Summary Statements, Annexure VI Statement of Restatement Adjustments to Audited Financial Statements and Annexure VII - Notes to the Restated Summary Statements.

Notes:
i). The above restated standalone cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows"
ii). Figures in bracket indicate cash outflow.

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date : 5/3/2026

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

KAY JAY FORGINGS LIMITED
(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)
CIN: U74899DL1983PLC029298
Annexure IV- Restated Statement of Changes in Equity
(All amounts in INR millions, unless otherwise stated)

A. EQUITY SHARE CAPITAL (Refer Note 13)

Particulars	No. of Shares	Amount
As at 1st April, 2022	**143,673**	**14.37**
Changes in equity share capital	-	-
Sub-division of Rs.100/- to Rs.10/- face value per share during the year	**1,436,730**	**14.37**
As at 31st March, 2023	**1,436,730**	**14.37**
Changes in equity share capital	-	-
As at 31st March, 2024	**1,436,730**	**14.37**
Changes in equity share capital	-	-
As at 31st March, 2025	**1,436,730**	**14.37**
Sub-division of Rs.10/- to Rs.5/- face value per share during the year	**2,873,460**	**14.37**
Bonus Issue during the year	**43,101,900**	**215.51**
As at 30th September, 2025	**45,975,360**	**229.88**

B. OTHER EQUITY (Refer Note 14)

Particulars	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Remeasurement of net defined benefit liability/asset	
Balance as at 1st April, 2022	**25.78**	**0.15**	**16.41**	**911.75**	**-**	**954.09**
Dividend paid during the year	-	-	-	-	-	-
Profit for the year	-	-	-	138.13	-	138.13
Other comprehensive income/(Loss) for the year	-	-	-	-	(2.15)	(2.15)
Total comprehensive income for the year	-	-	-	138.13	(2.15)	135.98
Balance as at 31st March, 2023	**25.78**	**0.15**	**16.41**	**1,049.88**	**(2.15)**	**1,090.08**
Balance as at 1st April, 2023	25.78	0.15	16.41	1,049.88	(2.15)	1,090.08
Dividend paid during the year	-	-	-	-	-	-
Profit for the year	-	-	-	241.26	-	241.26
Other comprehensive income/(Loss) for the year	-	-	-	-	(3.98)	(3.98)
Total comprehensive income for the year	-	-	-	241.26	(3.98)	237.27
Balance as at 31st March, 2024	**25.78**	**0.15**	**16.41**	**1,291.14**	**(6.13)**	**1,327.35**
Balance as at 1st April, 2024	25.78	0.15	16.41	1,291.14	(6.13)	1,327.35
Bonus Share Issued during the year	-	-	-	-	-	-
Profit for the year	-	-	-	290.15	-	290.15
Other comprehensive income/(Loss) for the year	-	-	-	-	(3.16)	(3.16)
Total comprehensive income for the year	-	-	-	290.15	(3.16)	286.99
Balance as at 31st March, 2025	**25.78**	**0.15**	**16.41**	**1,581.28**	**(9.29)**	**1,614.34**
Balance as at 1st April, 2025	25.78	0.15	16.41	1,581.28	(9.29)	1,614.34
Bonus Share Issued during the year	-	-	-	(215.51)	-	(215.51)
Profit for the year				213.57	-	213.57
Other comprehensive income/(Loss) for the year					(0.08)	(0.08)
Total comprehensive income for the year	-	-		213.57	(0.08)	213.49
Balance as at 30th September, 2025	**25.78**	**0.15**	**16.41**	**1,579.34**	**(9.36)**	**1,612.32**

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman and Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place : Ludhiana
Date : 5/3/2026

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

Material Accounting Policies and Other Explanatory Information Forming Part of Restated Financial Statements

1(A) Corporate Information

Kay Jay Forgings Limited (hereinafter referred to as the Company) is a Public Company domiciled in India. The Company was formerly known as Kay Jay Forgings Private Limited, prior to its conversion from private limited to public limited status w.e.f. 19th day of December 2024, pursuant to approval granted by the Ministry of Corporate affairs. The Registered office of the company is situated at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi, India, 110064.

The Company is mainly engaged in business of manufacturing of engineering goods i.e. Forging, Auto Parts etc. The Company caters to both domestic and international market.

The Restated Financial Statements have been approved by the Board on dated March 05th 2026.

1(B) Material Accounting Policies

(a) Statement of Compliance & Basis of Preparation

The restated financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the restated financial statements. The Company adopted Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, w.e.f. April 1st, 2022.

These restated financial statements include Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and Notes for the six months period ended 30th September, 2025, for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, comprising a summary of material accounting policies and other explanatory information and comparative information in respect of the preceding period.

These restated financial information have been prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus (‘DRHP’) to be filed by the Company with the Securities & Exchange Board of India (“SEBI”), National Stock Exchange of India Limited and BSE Limited in connection with the proposed Initial Public Offering (“IPO”) of its equity shares.

The restated financial information, which have been approved by the Board of Directors of the Company, have been prepared by the Company as a going concern on the basis of relevant Ind-AS that are effective as at 30th September, 2025 in accordance with the requirements of :

a. Section 26 of Part I of the Chapter III of the Companies Act, 2013 (“the Act”)
b. Relevant provisions of 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”)

This Restated Financial Information has been compiled by the management from:

a) The Audited Special Purpose Ind AS Interim Financial Statements of the Company as at and for the six months period ended September 30, 2025 were prepared in accordance with the Ind AS 34 "Interim Financial Reporting", specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on **February 2, 2026**.

b) The Audited Financial Statements of the Company as at and for the year ended March 31, 2025 were prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on **August 13, 2025**.

c) The Audited Special Purpose Ind AS Financial Statements of the Company as at and for the year ended March 31, 2024 and March 31 2023 were prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on **September 30, 2025**.

For the purpose of the audited special purpose financial statements for the year ended March 31, 2023 of the Company, the transition date is considered as April 01, 2022 which is different from the statutory transition date should have been adopted by the Company at the time of first time transition to Ind AS (i.e. April 01, 2023) for the purpose of preparation of the Statutory Ind AS Financial Statements as required under the Act.

Accordingly, the Company has applied the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101, as applicable) as on April 01, 2022 for the Special Purpose Ind AS Financial Statements, as it would have applied on April 01, 2023.

The audited special purpose financial statements have been prepared solely for the purpose of preparation of Restated Financial Information for inclusion in offer documents in relation to the proposed IPO, which requires financial statements of all the periods included, to be presented under Ind AS. As such, these Special Purpose Financial Statements are not suitable for any other purpose other than for the purpose of preparation of the Restated Financial Information and are also not financial statements prepared pursuant to any requirements under Section 129 of the Act.

The Company's Restated Financial Information for the six months period ended 30th September, 2025, for the years ended, March 31, 2025, March 31, 2024 and March 31, 2023 were approved by the Board of Directors, in accordance with resolution passed on March 5th 2026.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value.

Derivative Financial Instruments

Certain Other financial assets and financial liabilities which have been measured at fair value (refer Note 36 annexed to the financial statements)

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Million (Rs.1,000,000) except wherever otherwise stated.

(b) Use of Estimates and Judgments

In preparing the financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations. The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

Areas involving critical estimates or judgements are:

• Recognition of deferred tax assets and liabilities- Note (p);

• Estimation of defined benefit obligation – Note (t);

• Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note (k);

• Leases: whether an arrangement contains a lease, determination of lease term, measurement of Right of Use ("ROU") assets - Note (m);

• Fair value measurement for financial instruments – Note (d)

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the restated financial information. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

(c) Current versus Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in IND AS 1, "Presentation of financial statements".

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 realised or intended to be sold or consumed in normal operating cycle;

• Held primarily for the purpose of trading;

• Expected to be realised within twelve months after the reporting period, or

• Cash or Cash Equivalent unless restricted from being exchanged or used to settle 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:

• Cash or Cash Equivalent unless restricted from being exchanged or used to settle 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:

• It is expected to be settled in normal operating cycle;

• It is held primarily for the purpose of trading;

• It is due to be settled within twelve months after the reporting period, or

• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

• All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) 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:

• In the principal market for the asset or liability, or

• 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 is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;

• Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. 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.

(e) Foreign Currency

(i) Functional and Presentation Currency

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) Transactions and Balances

Foreign currency transactions are translated into the respective 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 recognised in profit or loss.

(f) Property, Plant and Equipment

Transition to Ind AS:
For the transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2022 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date, except for Land for which fair value is considered as a deemed cost.

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Type of Assets	Schedule II life (years)	Useful Lives*
Building –Factory	30	30
Building- others	60	60

Plant & Machinery	15	15
Computers	3	3
Office Equipment	5	5
Electrical Fittings & installations	10	10
Furniture & Fixtures	10	10
Vehicles	8	8

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

The company has adopted Straight Line Method from Written Down Value Method (except Depreciation on fixed assets of Unit-III and Machinery of other units installed from 01.04.2002 onwards as it was already on Straight Line Method) w.e.f. 1st April, 2024 to better reflect the pattern of economic benefits derived from the assets.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar asset.

Freehold land is not depreciated.

(g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development". Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Type of Assets:	Type of Assets Schedule II life (years)	Useful Lives*
Software	6	5

(h) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment 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 asset's 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 unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(i) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(j) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(k) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(l) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value. The basis of determining costs for various categories of inventories is as follows –

Raw Materials

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Stores & Spares and Consumables

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Work-In-Progress

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Traded Goods

Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition. Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(m) Leases

(i) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short Term Leases and Leases of Low Value of Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Company has exercised judgement in determining the lease term as the non-cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(n) Financial Instruments

(i) Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets

Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

A financial asset that meets the following two conditions is measured at amortized cost.
-Business Model Test: The objective of company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI: -
-Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
-Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.
All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Equity Investments (other than investments in subsidiaries, associates and joint venture)

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

De-recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through the arrangement; and with that –

a) the Company has transferred substantially all the risks and rewards of the asset, or

b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

The company has accounted for its term loans, vehicle loans & other borrowings in accordance with Ind AS 109- Financial Instruments.

For trade and other payables maturing within one year from the balance sheet date, the carrying value is at Amortised Cost.

Financial liabilities are measured at amortized cost using Effective Interest Rate (EIR) method, except where practical constraints exist.

De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(o) Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

(p) Income Taxes

(i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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 the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

(q) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

Export Incentive

Income from export incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(r) Other Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset’s gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(s) Borrowing Costs

Borrowing cost, if any, that are directly attributable to the acquisition, construction, or production of a *qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences, if any, to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

*A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

(t) Defined Benefit Obligation

Gratuity

The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using projected unit credit method. The liability recognized in the balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income

Compensated Absences

Accumulated compensated absences are either availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service. The Company has a policy to encash the entire leaves balance outstanding as at the end of the year in the subsequent year.

Short-term obligations

Liabilities for wages and salaries, 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 employee's 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 benefit obligations in the balance sheet.

Changes in Accounting Policies and Disclosures

(a) New and amended standards and interpretations

(i) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no impact on the financial statements of the Company.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Company.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. These amendments had no impact on the financial statements of the Company.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(b) Standards issued but not yet effective

There are no such standards or amendment issued which are not effective as on date.

For Goyal Sanjay & Associates
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman & Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Place: Ludhiana
Date:

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary &
Compliance Officer
Membership No: A75038

Annexure-VI Statement of Restatement Adjustments to Audited Financial Statements
Amount in Rs. Millions, unless otherwise stated

Summarized below are the restatement adjustments to the Audited Financial Statements for the six months period ended 30th September, 2025, for the year ended 31st March 2025, 31st March 2024 & 31st March 2023 and their impact on equity & the profit of the Company.

Part A: Statement of Restatement Adjustments to the Financial Statements:

Reconciliation between Audited Equity & Restated Equity

Particulars	**As At 30th September, 2025**	**As At 31st March, 2025**	**As At 31st March, 2024**	**As At 31st March, 2023**
Total Equity as per Audited Financial Statements (under Indian GAAP)		-	1351.55	1108.77
Ind-AS Adjustments		-	(9.83)	(4.33)
Total Equity as per Audited Financial Statements (under Ind-AS)	1842.20	1628.71	1341.72	1104.44
Material Restatement Adjustments:				
(i) Audit Qualifications		-	-	-
(ii) Adjustments due to prior period items		-	-	-
(iii) Change in Accounting Policies		-	-	-
Total Impact of Adjustments (i+ii+iii)		-	-	-
Total Equity as per Restated Financial Statements	1842.20	1628.71	1341.72	1104.44

Reconciliation between Audited Profit after tax & Restated Profit after tax

Particulars	**As At 30th September, 2025**	**As At 31st March, 2025**	**As At 31st March, 2024**	**As At 31st March, 2023**
Profit after tax as per Audited Financial Statements (under Indian GAAP)	-	-	242.78	136.98
Ind-AS Adjustments	-	-	(1.52)	1.15
Total Profit After Tax as per Audited Financial Statements (under Ind-AS)	213.57	290.15	241.26	138.13
Material Restatement Adjustments:				
(i) Audit Qualifications	-	-	-	-
(ii) Adjustments due to prior period items	-	-	-	-
(iii) Change in Accounting Policies	-	-	-	-
Total Impact of Adjustments (i+ii+iii)	-	-	-	-
Restated Profit after tax as per Restated Financial Statements	213.57	290.15	241.26	138.13

Amount in Rs. Millions, unless otherwise stated

Part B: Material Regrouping:

Appropriate regroupings have been made in the Restated Summary Statements of assets and liabilities, Restated Summary Statement of profit and loss and Restated Summary Statements of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Restated Summary Statements of the Company for the six months period ended September 30, 2025 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 - 'Presentation of Financial Statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

For the year ended 31st March, 2024

Restated Summary Statement of Assets & Liabilities & Statement of Profit & Loss

Particulars	As At 31st March 2024 (Audited)	As At 31st March 2024 (Restated)	Change	Nature
Assets				
Non-Current Assets				
Property, Plant & Equipment	1552.00	1550.81	1.18	Derecognition of assets given on lease
Right of Use Assets	-	5.52	5.52	Recognition of assets taken on finance lease as per Ind AS 116
Non-Current Financial Assets				
Other Financial Assets	-	33.70	33.70	Reclassification of security deposits from Other Non Current Assets & Short-term Loans & Advances to Other Financial Assets.
Other Non-Current Assets	32.77	193.37	160.60	Reclassification of capital advances from long-term loans & advances to other non-current assets
Long-term Loans & Advances	193.37	-	193.37	Reclassification of capital advances from long-term loans & advances to other non-current assets

Amount in Rs. Millions, unless otherwise stated

Current Assets				
Cash & Cash Equivalents	247.14	246.68	0.46	Reclassification of fixed deposits from cash & cash equivalents to other Balances with Banks
Other Balances with Banks	-	0.45	0.45	Reclassification of fixed deposits from cash & cash equivalents to other Balances with Banks
Trade Receivables	457.79	457.73	0.05	Reclassification of balances from Trade Receivables to Advances to related parties
Short-term Loans & Advances	78.73	22.76	55.97	Reclassification of balances from Short-term Loans & Advances to Other Current Assets & Other Financial Assets
Other Financial Assets	-	5.17	5.17	Reclassification of balances from Short-term Loans & Advances to Other Financial Assets
Other Current Assets	-	49.83	49.83	Reclassification of balances from Short-term Loans & Advances to Other Current Assets
Lease Receivables	-	2.29	2.29	Recognition of Lease Receivable on finance leases as per Ind AS 116
Non-Current Liabilities				
Lease Liabilities	-	4.55	4.55	Recognition of Lease Liability on account of Ind AS 116
Long-term Provision-Gratuity	-	15.63	15.63	Recognition of gratuity provision on account of Ind AS-19
Current Liabilities				
Lease Liabilities	-	1.21	1.21	Recognition of Lease Liability on account of Ind AS 116

Amount in Rs. Millions, unless otherwise stated

Other Financial Liabilities	-	98.90	98.90	Reclassification of balances from Other Current Liabilities to Other Financial Liabilities
Other Current Liabilities	313.69	214.79	98.90	Reclassification of balances from Other Current Liabilities to Other Financial Liabilities
Profit on Derivative Instruments	2.25	2.25	-	Reclassification of balances from Finance Costs to Other Income
CSR Expenses	1.65	1.65	-	Reclassification of balances from face of Statement of Profit & Loss to Other Expenses

For the year ended 31st March, 2023

Restated Summary Statement of Assets & Liabilities & Statement of Profit & Loss

Particulars	As At 31st March 2023 (Audited)	As At 31st March 2023 (Restated)	Change	Nature
Assets				
Non-Current Assets				
Property, Plant & Equipment	1305.37	1303.54	1.83	Derecognition of assets given on lease
Right of Use Assets	-	6.78	6.78	Recognition of assets taken on finance lease as per Ind AS 116
Non-Current Financial Assets				
Other Financial Assets	-	28.46	28.46	Reclassification of security deposits from Other Non-Current Assets & Short-term Loans & Advances to Other Financial Assets.
Other Non-Current Assets	27.31	382.78	355.47	Reclassification of capital advances from long-term loans & advances to other non-current assets
Long-term Loans & Advances	382.78	-	382.78	Reclassification of capital advances from long-term loans & advances to

Amount in Rs. Millions, unless otherwise stated

				other non-current assets
Current Assets				
Cash & Cash Equivalents	190.34	189.90	0.43	Reclassification of fixed deposits from cash & cash equivalents to other Balances with Banks
Other Balances with Banks	-	0.43	0.43	Reclassification of fixed deposits from cash & cash equivalents to other Balances with Banks
Short-term Loans & Advances	93.14	40.60	52.54	Reclassification of balances from Short-term Loans & Advances to Other Current Assets & Other Financial Assets
Other Financial Assets	-	2.80	2.80	Reclassification of balances from Short-term Loans & Advances to Other Financial Assets
Other Current Assets	-	48.57	48.57	Reclassification of balances from Short-term Loans & Advances to Other Current Assets
Lease Receivables	-	2.29	2.29	Recognition of Lease Receivable on finance leases as per Ind AS 116
Non-Current Liabilities				
Lease Liabilities	-	3.38	3.38	Recognition of Lease Liability on account of Ind AS 116
Long-term Provision-Gratuity	-	25.08	25.08	Recognition of gratuity provision on account of Ind AS-19
Current Liabilities				
Lease Liabilities	-	3.75	3.75	Recognition of Lease Liability on account of Ind AS 116
Other Financial Liabilities	-	48.32	48.32	Reclassification of balances from Other Current Liabilities to Other Financial Liabilities
Other Current	207.02	157.72	49.30	Reclassification of

Amount in Rs. Millions, unless otherwise stated

Liabilities				balances from Other Current Liabilities to Other Financial Liabilities
Loss on Derivative Instruments	8.04	8.04	-	Reclassification of balances from Finance Costs to Other Expenses
CSR Expenses	3.21	3.21	-	Reclassification of balances from face of Statement of Profit & Loss to Other Expenses

Part C: Non-Adjusting Items:

(i) Audit Qualifications:

There are no audit qualifications in the audit report for the year ended March 31, 2025 which require any adjustments.

The audit reports on the statutory financial statements were unmodified on the financial statements as at March 31, 2024 and for the year ended March 31, 2023

(ii) CARO Adjustments:

There are no qualifications or adverse remarks as per the requirements of the Companies (Auditor's Report) Order 2020, in the auditor's report pertaining to audited financial statements for the financial years ended 31st March 2025, 31st March 2024 and 31st March 2023.

For **Goyal Sanjay & Associates**
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of the Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal
Partner
Membership No: 091278

Gopal Krishan Kothari
Chairman & Managing Director
DIN: 00026734

Naveen Behl
Whole-Time Director
DIN: 01322486

Ashok Bansal
Chief Financial Officer
Membership No: 502605

Amit Verma
Company Secretary & Compliance Officer
Membership No: A75038

Place: Ludhiana
Dated:

(All amounts in INR millions, unless otherwise stated)

Note No. 2 : Property, Plant & Equipments, Intangible Assets, Right of Use Assets & Capital Work-in-Progress.

Particulars	2.1 Property, Plant & Equipment									2.2 Intangible Assets	2.3 Capital Work-in-Progress	2.4 Right of Use Assets
	Freehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Electric Fittings	Total	Computer Software		
Cost												
As At April 01, 2022	**85.11**	**252.49**	**1813.08**	**23.14**	**78.01**	**33.07**	**22.90**	**76.22**	**2384.01**	**15.45**	**26.60**	**7.52**
Additions	-	70.72	240.94	3.98	13.14	7.22	5.37	30.83	372.20	2.06	66.44	25.28
Deductions	16.86	-	18.46	-	8.69	0.03	-	-	44.04	-	26.60	-
As At March 31, 2023	**68.24**	**323.21**	**2035.55**	**27.12**	**82.46**	**40.26**	**28.27**	**107.05**	**2712.17**	**17.51**	**66.44**	**10.04**
Additions	141.91	57.18	248.97	4.34	15.60	8.96	4.93	9.01	490.89	0.29	10.82	4.53
Deductions	-	-	12.66	-	5.55	-	2.56	-	20.77	-	66.44	7.52
As At March 31, 2024	**210.16**	**380.39**	**2271.86**	**31.46**	**92.51**	**49.22**	**30.63**	**116.06**	**3182.29**	**17.81**	**10.82**	**7.06**
Additions	107.78	98.90	294.26	2.71	15.50	4.95	2.37	11.23	537.69	0.43	113.22	-
Deductions	-	-	15.71	-	9.15	0.04	-	0.48	25.38	-	10.82	-
As At March 31, 2025	**317.93**	**479.28**	**2550.42**	**34.17**	**98.86**	**54.13**	**33.00**	**126.81**	**3694.60**	**18.23**	**113.22**	**7.06**
Additions:	0.87	3.21	123.18	1.84	19.97	3.12	1.55	5.68	159.43	1.66		-
Unit C-2									0.00		110.14	
Other Units	4.99								4.99		4.26	
Deductions	107.82	62.87	14.82	0.00	3.53	0.00	0.22	0.00	189.26	0.00	41.83	-
As At September 30, 2025	**215.97**	**419.62**	**2,658.78**	**36.00**	**115.30**	**57.26**	**34.33**	**132.50**	**3,669.76**	**4.53**	**185.79**	**7.06**
Accumulated Depreciation												
As At April 01, 2022	-	**91.32**	**967.03**	**16.03**	**56.11**	**24.84**	**20.19**	**46.13**	**1221.66**	**13.78**	-	-
Depreciation/Amortization expense	-	16.95	165.36	2.05	9.32	3.17	1.89	10.80	209.55	0.62	-	3.26
Disposals	-		14.40	-	8.16	0.02	-	-	22.59	-	-	-
As At March 31, 2023	-	**108.27**	**1118.00**	**18.08**	**57.27**	**27.98**	**22.09**	**56.93**	**1408.62**	**14.39**	**0.00**	**3.26**
Depreciation/Amortization expense	-	16.78	184.80	2.52	9.32	7.02	4.33	13.90	238.68	0.87	-	3.17
Disposals	-	-	8.86	-	4.88	-	2.08		15.81	-	-	4.90
As At March 31, 2024	-	**125.05**	**1293.94**	**20.60**	**61.71**	**35.01**	**24.35**	**70.82**	**1631.48**	**15.27**	**0.00**	**1.53**
Depreciation/Amortization expense	-	11.75	188.66	2.15	7.23	5.16	2.89	9.98	227.82	0.85	**0.00**	1.30
Disposals	-	-	14.61	-	5.82	0.04	-	0.40	20.86	-	-	-
As At March 31, 2025	-	**136.81**	**1467.99**	**22.75**	**63.12**	**40.13**	**27.23**	**80.40**	**1838.44**	**16.11**	**0.00**	**2.83**
Depreciation/Amortization expense	-	6.50	95.09	1.02	3.59	2.55	1.33	4.64	114.73	0.50	-	0.65
Disposals	-	0.91	14.08	-	2.33	-	0.19	-	17.51	-	-	-
As At September 30, 2025	-	**142.40**	**1,549.00**	**23.77**	**64.38**	**42.68**	**28.38**	**85.05**	**1,935.65**	**16.61**	**0.00**	**3.48**
Net Carrying Value												
As At March 31, 2023	**68.24**	**214.94**	**917.55**	**9.04**	**25.20**	**12.28**	**6.18**	**50.12**	**1303.55**	**3.12**	**66.44**	**6.78**
As At March 31, 2024	**210.16**	**255.33**	**977.92**	**10.86**	**30.80**	**14.21**	**6.29**	**45.24**	**1550.81**	**2.54**	**10.82**	**5.53**
As At March 31, 2025	**317.93**	**342.48**	**1082.43**	**11.41**	**35.74**	**14.00**	**5.77**	**46.41**	**1856.17**	**2.12**	**113.22**	**4.23**
As At September 30, 2025	**215.97**	**277.23**	**1,109.78**	**12.23**	**50.93**	**14.57**	**5.95**	**47.45**	**1,734.11**	**3.28**	**185.79**	**3.58**

Notes:

(i) There were no revaluation carried out by the Company during the period ended 30th September 2025, 31st March 2025, 31st March 2024 and 31st March 2023

(ii) Assets pledged and hypothecated against borrowings. (Refer Note 15)

(iii) The title deeds of all the immovable properties (other than properties where the Company is the lessee and lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(iv) On transition date i.e. April 01, 2022, the Company has elected to continue with the carrying value of all Property, Plant & Equipment measured as per the previous GAAP and use the carrying value as deemed cost of Property, Plant & Equipment.

(All amounts in INR millions, unless otherwise stated)

Note 2 (a): Ageing Schedule of Capital Work-in-Progress (CWIP) is as follows:-

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at September 30, 2025					
Projects in progress					
Machinery	144.13				144.13
Building	41.66				41.66
Total	**185.79**	**-**	**-**	**-**	**185.79**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress					
Machinery	88.24	-	-	-	88.24
Building	24.98	-	-	-	24.98
Total	**113.22**	**-**	**-**	**-**	**113.22**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024					
Projects in progress					
Machinery	9.85	-	-	-	9.85
Building	0.96	-	-	-	0.96
Total	**10.82**	**-**	**-**	**-**	**10.82**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
Projects in progress					
Machinery	66.44	-	-	-	66.44
Building	-	-	-	-	-
Total	**66.44**	**-**	**-**	**-**	**66.44**

Notes:

(i) There is no project whose completion is overdue, suspended or has exceeded its cost compared to its original plan during the last three fiscal years.
(ii) There are no suspensions of any project during the last three financial yars.

(iii) The Company has no intangible assets under development as at 30th September 2025, 31st March 2025, 31st March 2024 and 31st March 2023, hence ageing of the same has not been provided.

(All amounts in INR millions, unless otherwise stated)

Note (3) Non Current Investments

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Mutual Funds (Quoted)				
(Measured at Fair Value through Profit or Loss)				
SBI Mutual Fund	2.59	2.30	2.26	1.39
(SBI-Infrastructure Fund 50,000 units @ Rs.10/- Per Unit)				
Aggregate cost of quoted investments- Rs. 0.50 million				
	2.59	**2.30**	**2.26**	**1.39**
Investment in Unquoted Equity Shares				
(Measured at Fair Value through OCI)				
Veeyes Renewable Energy India Pvt. Ltd (12,075 shares @ Rs.10/-)	0.12	0.12	-	-
Veeyes Green Power Private Limited (8,614 shares @ Rs.10/-)	0.09	0.09	-	-
	0.21	**0.21**	**-**	**-**
Total	**2.80**	**2.51**	**2.26**	**1.39**

Note (4) Other Financial Assets

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Non-Current				
Measured at Amortised cost (Unsecured, Considered Good)				
(a) Security Deposit*	42.08	39.68	32.77	27.31
(b) Security deposits for Leases*	1.80	1.80	0.93	1.15
	43.88	**41.48**	**33.70**	**28.46**
Current				
Measured at Amortised cost (Unsecured, Considered Good)				
Interest Receivable	2.73	2.29	1.38	2.81
Contractual Rate Difference Receivable	-	-	3.47	-
Other Receivables	15.07	7.21	-	-
Unrealised Gain on Cancellation of Forward Contract	-	1.56	-	-
Measured at Fair Value through profit or loss				
Derivative Financial Instruments	-	-	0.33	-
	17.79	**11.07**	**5.18**	**2.81**
Total	**61.67**	**52.54**	**38.88**	**31.27**

***Refer Note 48 annexed to the Restated Financial Statements**

Note (5) Lease Receivables (Under Finance Lease)

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
The Company, as a lessor, has leased out certain assets under finance lease arrangements. These leases transfer substantially all the risks and rewards of ownership to the lessee. Accordingly, the present value of minimum lease payments is recognized as a receivable at the inception of the lease.				
Present Value of Minimum Lease Payments (Receivables)	**-**	**-**	2.30	4.42
Less: Current portion (due within 12 months)	-	-	2.30	2.12
Non-Current Lease Receivables	**-**	**-**	**-**	**2.30**

Note (6) Other Non Current Assets

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good)				
Capital Advances	101.42	49.47	193.37	382.79
Total	**101.42**	**49.47**	**193.37**	**382.79**

(a) Borrowing Costs Capitalized

During the year, the Company has capitalized borrowing costs amounting to Rs. 6.67 millions, which have been included under ‘Capital Advances’ under Other Non-Current Assets , as the respective assets are yet to be recognized under Property, Plant & Equipment (PPE) or Capital Work in Progress (CWIP)."

(b) Nature of Capital Advances

Capital advances represent amounts paid towards the acquisition/construction of qualifying assets, including advances towards vendors, contractors, & suppliers for property, plant & equipment. The related borrowing costs will be reclassified to the respective asset upon capitalisation.

(c) Capitalisation Rate & Borrowings Considered

The capitalisation rate applied to determine the eligible borrowing cost was 9.5%. The borrowings considered include specific borrowings which were directly attributable to procurement of qualifying assets.

(All amounts in INR millions, unless otherwise stated)

Note (7) Inventories

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(At Lower of Cost and Net Realisable Value)				
Raw Materials (at cost)	249.45	266.36	226.24	248.58
Work in Process (at cost)	514.29	522.88	488.83	355.30
Finished Goods (other than those acquired for trading) (at cost)	39.59	103.65	73.81	60.79
Stores and Spares (at cost)	166.91	145.13	106.41	80.77
Power & Fuel (at cost)	3.75	2.63	2.51	2.25
Goods in Transit (at cost)	0.30	0.23	-	0.33
Total	**974.29**	**1,040.88**	**897.80**	**748.01**

7.1 *The carrying amount of inventory hypothecated to secure working capital facilities of Rs.974.29 millions (Previous Year Rs.1040.88 millions)*

Note (8) Trade Receivables

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured				
a) Related Parties	-	-	-	-
b) Others	750.10	547.11	457.74	444.87
Significant increase in Credit Risk	-	-	-	-
Credit Impaired	-	-	-	-
Less: Allowances for Expected Credit Losses	-	-	-	-
Total	**750.10**	**547.11**	**457.74**	**444.87**

8.1 a) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

b) Not any trade receivables are due from from firms or private companies respectively in which a director is a partner, a director or member except provided in the related party note. However, for other receivables, Refer Note 43.

c) Trade receivables are non-interest bearing.

(The space has been left blank intentionally)

(All amounts in INR millions, unless otherwise stated)

Note 8.2 Trade Receivables Ageing Schedule

Outstanding for the Period Ended September 30, 2025

Particulars	Not due	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good	620.27	129.83	-	-	-	-	750.10
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**620.27**	**129.83**	**0.00**	**0.00**	**0.00**	**0.00**	**750.10**

Outstanding for the Year Ended March 31, 2025

Particulars	Not due	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good	504.70	42.41	-	-	-	-	547.11
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**504.70**	**42.41**	**-**	**-**	**-**	**-**	**547.11**

Outstanding for the Year Ended March 31, 2024

Particulars	Not due	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good	437.00	20.61	-	-	-	0.13	457.74
which have significant increase in credit risk							
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good							
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**437.00**	**20.61**	**-**	**-**	**-**	**0.13**	**457.74**

Outstanding for the Year Ended March 31, 2023

Particulars	Not due	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good	401.39	43.09	-	0.01	0.38	-	444.87
which have significant increase in credit risk							
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good							
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**401.39**	**43.09**	**-**	**0.01**	**0.38**	**-**	**444.87**

(All amounts in INR millions, unless otherwise stated)

Note (9) Cash and Cash Equivalents

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balances with Banks				
(a) In Current Accounts	55.36	45.79	41.49	35.76
(b) In Cash Credit Accounts	128.40	26.67	202.27	99.76
Cash in Hand	0.57	1.28	2.73	2.66
Uncleared Cheques	-	-	-	51.52
Imprest Balances	0.27	0.13	0.19	0.20
Total	**184.60**	**73.87**	**246.69**	**189.91**

Note (10) Other Balances with Banks

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Fixed Deposits with Banks with original maturity of more than 3 months but less than 12 months*				
FDR With HDFC Bank	0.49	0.48	0.46	0.43
Interest Accrued on FDR		-	-	0.01
* Fixed deposits are held as margin money against bank guarantee				
Total	**0.49**	**0.48**	**0.46**	**0.44**

Note (11) Short-term Loans and Advances

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good)				
Advances to Suppliers	75.65	13.57	19.10	15.84
Advances to Employees	1.55	1.49	1.88	3.87
Advances to Related Parties	0.15	0.21	0.20	1.61
Other Advances	0.93	4.35	1.58	19.28
Total	**78.27**	**19.62**	**22.76**	**40.61**

Note (12) Other Current Assets

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	24.60	37.46	31.72	28.77
Balances with Custom & GST Authorties	50.77	26.63	18.10	19.81
Total	**75.37**	**64.09**	**49.83**	**48.58**

Note (13) Equity Share Capital :

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par Value of Rs. 5/- each as follows

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Authorised * :				
80000000 (Previous Year 1550000) Equity Shares of Rs.5/- each	400.00	15.50	15.50	15.50
	400.00	**15.50**	**15.50**	**15.50**
(b) Issued, subscribed & fully paid up **:				
45975360 (Previous Year 1436730) Equity Shares of Rs.5/- each fully paid up	229.88	14.37	14.37	14.37
Total	**229.88**	**14.37**	**14.37**	**14.37**

*** The Company has increased the Authorised Equity Share Capital from Rs.15.50 million to Rs. 400 million , pursuant to the approval of the shareholders obtained in the Annual General Meeting held on August 16, 2025.**
**** Refer note 13(a) for Subdivision of equity shares and refer note 13 (e) for Bonus issue of equity shares**

(13)a. Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Equity shares	**Numbers of Shares**	**Numbers of Shares**	**Numbers of Shares**	**Numbers of Shares**
Equity shares outstanding at the beginning of the year	1,436,730	1,436,730	1,436,730	143,673
Changes during the Year:	44,538,630	-	-	1,293,057
Equity shares outstanding at the end of the year	**45,975,360**	**1,436,730**	**1,436,730**	**1,436,730**

Notes :
During the financial year 2022-23, Face vlaue of the equity shares has been sub-divided from Rs. 100/- per share to Rs. 10/- per share
The Company has sub-divided the face value of the equity shares Rs. 10/- per share to Rs. 5/- per share , pursuant to the approval of the shareholders obtained in the Annual General Meeting held on August 16, 2025.
Refre Note 13 (e) for bonus issue of equity shares

(All amounts in INR millions, unless otherwise stated)

(13)b. Details of Equity Shares held by each shareholder holding more than 5% of the aggregate shares in the company :

Particulars		As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
		shares & % of holding	shares & % of holding	shares & % of holding	shares & % of holding
Equity shares					
Gopal Krishan Kothari	No.	40,011,520	1,110,360	1,110,360	1,110,360
	%	87.03%	77.29%	77.29%	77.29%
Amit Kothari	No.	2,568,960	80,280	80,290	80,290
	%	5.59%	5.59%	5.59%	5.59%
Smt. Madhu Kothari	No.	-	209,180	209,180	209,180
	%		14.56%	14.56%	14.56%

(13).c Disclosure of Shareholding of Promoters at 30th September, 2025 is as follows

Shares held by promoters at the end of the year			
Promoters Name	**No. of Equity Shares**	**% of Total Shares**	**% Change during the year**
Gopal Krishan Kothari	40,011,520	87.03	9.74
Amit Kothari	2,568,960	5.59	-
Total	**42,580,480**	**92.62**	**9.74**

Disclosure of Shareholding of Promoters at 31st March, 2025 is as follows

Shares held by promoters at the end of the year			
Promoters Name	**No. of Equity Shares**	**% of Total Shares**	**% Change during the year**
Gopal Krishan Kothari	1,110,360	77.29	-
Amit Kothari	80,280	5.59	-
Smt. Madhu Kothari	209,180	14.56	-
G K Kothari & Sons	33,000	2.29	-
Savitri Devi	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
Total	**1,436,720**	**100.00**	**-**

Disclosure of Shareholding of Promoters at 31st March, 2024 is as follows

Shares held by promoters at the end of the year			
Promoters Name	**No. of Equity Shares**	**% of Total Shares**	**% Change during the year**
Gopal Krishan Kothari	1,110,360	77.29	-
Amit Kothari	80,290	5.59	-
Smt. Madhu Kothari	209,180	14.56	-
G K Kothari & Sons	33,000	2.29	-
Savitri Devi	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
Total	**1,436,730**	**100.00**	**-**

Disclosure of Shareholding of Promoters at 31st March, 2023 is as follows

Shares held by promoters at the end of the year			
Promoters Name	**No. of Equity Shares**	**% of Total Shares**	**% Change during the year**
Gopal Krishan Kothari	1,110,360	77.29	-
Amit Kothari	80,290	5.59	-
Madhu Kothari	209,180	14.56	-
G K Kothari & Sons	33,000	2.29	-
Savitri Devi	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
Total	**1,436,730**	**100.00**	**-**

Pursuant to Resolution passed by our Board of Directors in its meeting duly held & convened on August 2, 2025, the management had considered and identified Gopal Krishan Kothari and Amit Kothari as the promoters of the Company as per regulation 2(oo) of SEBI (ICDR) Regulation 2018. However, based on certain developments and management evaluation, Madhu Kothari, Savitri Devi, Amit Kothari HUF, and G K Kothari & Sons are now being classified as members of the promoter group of the company along with others as defined in regulation 2(pp) of SEBI (ICDR) Regulation 2018.

(All amounts in INR millions, unless otherwise stated)

(13)d. Rights, Preferences & Restrictions

Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. There is no restriction on distribution on dividend. No such dividend has been distributed in the history of Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts the distribution will be in proportion to the no. of equity shares held by shareholder.

(13)e Bonus Shares Issue during the Current Financial Year

On August 18, 2025 the Company had allotted 4,31,01,900 equity shares of Rs. 5/- each (fully paid up) in the proportion of 15 equity shares for every 1 fully paid up equity share to eligible shareholders whose names appeared in the Register of Members / Register of Beneficial Owner as on August 6, 2025 being the record date fixed for this purpose, in accordance with approval received from the Members by way of special resolution passed in duly convened annual general meeting held on August 16, 2025 on bonus basis. The said equity shares shall rank pari passu in all respects with the existing equity shares of the Company. As a result of the bonus issue, the paid-up capital of the Company increased to Rs. 22,98,76,800 from Rs. 1,43,67,300. The paid-up capital on account of bonus issue of Rs. 21,55,09,500 has been appropriated from Retained Earnings

(13)f. No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting period.

Note (14) Other Equity

Other Equity consists of the following:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium Reserve	25.78	25.78	25.78	25.78
(b) Capital Reserve	0.15	0.15	0.15	0.15
(c) General Reserve	16.41	16.41	16.41	16.41
(d) Retained Earnings				
As per last Balance Sheet	1,581.28	1,291.14	1,049.88	911.75
Add: Change in Accounting Policy or Prior period errors		-	-	-
Less: Bonus Shares Issued	(215.51)			
Add: Profit/Loss for the year	213.57	290.15	241.26	138.13
	1,579.34	1,581.28	1,291.14	1,049.88
(d) Remeasurement of net defined benefit plan through OCI				
As per last Balance Sheet	(9.29)	(6.13)	(2.15)	-
Less: Other Comprehensive income (net of tax)	(0.08)	(3.16)	(3.98)	(2.15)
	(9.36)	(9.29)	(6.13)	(2.15)
Total	**1,612.32**	**1,614.34**	**1,327.35**	**1,090.08**

Nature & Purpose of each Reserve:

14.1 Securities Premium: Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Companies Act, 2013.

14.2 Capital Reserve: Capital reserve is the difference of book value of assets of the subsidiary and amount paid for the acquisition of subsidiary.

14.3 General Reserve: It is a free reserve created from retained earnings. It can be used for any purpose as per management discretion.

14.4 Retained Earnings: Surplus/ (deficit) in the statement of profit and loss are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings as at April 1,2022 has been adjusted consequent to the Ind AS transition adjustments.
Surplus/ (deficit) in the statement of profit and loss is a free reserve available to the company.

14.5 Other Comprehensive Income: It includes remeasurement loss/ gain on defined benefit obligations, net of taxes that will not be reclassified to statement of profit and loss.

(The space has been left blank intentionally)

(All amounts in INR millions, unless otherwise stated)

Note (15) Borrowings

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Term loans				
Secured *	406.17	294.82	462.07	562.30
(b) Loans and Advances from Related Parties				
Unsecured	252.39	256.83	247.70	262.48
Total	**658.57**	**551.66**	**709.77**	**824.77**

***Refer Note 48 annexed to the Restated Financial Statements**

Note (15).1 Details of Term Loans :-

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Term loans				
Secured				
(I) From Banks				
(A) IN INDIAN CURRENCY				
Axis Bank (10.00 Cr)	57.93	66.34	83.20	-
Axis Bank (10.00 Cr)	80.80	-	-	-
Federal Bank (10.00 Cr.)	-	-	5.56	27.78
Federal Bank (ECLGS 3.00 Cr)	-	-	6.75	14.72
Federal Bank (ECLGS 1.5 Cr)	-	9.08	12.59	15.00
Hdfc Bank (ECLGS 11.54 Cr)	7.85	2.40	26.45	55.30
Hdfc Bank (7.85Cr)	7.14	15.70	31.40	47.10
Hdfc Bank (ECLGS 5.769 Cr)	22.84	30.05	44.47	57.69
Hdfc Bank (2.15 Cr)	2.19	4.37	8.75	13.12
Hdfc Bank (3.15 Cr Out Of 10 Cr)	9.45	12.60	18.90	25.20
Hdfc Bank (6.85 Cr Out Of 10 Cr)	20.55	27.40	41.10	54.80
Hdfc Bank (10.00Cr)	40.00	50.00	70.00	90.00
Hdfc Bank (10.00Cr)	85.00	-	-	-
	333.75	**217.95**	**349.15**	**400.70**
(B) IN FOREIGN CURRENCY				
Standard Chartered Bank #	-	-	-	18.49
	-	**-**	**-**	**18.49**
# The Loan was taken in foreign currency, but as per the terms settled with the Bank the company was repaying the loan along with interest in INR				
(II) From Financial Institutions				
(A) IN INDIAN CURRENCY				
Bajaj Finance (5.00 Cr.)	13.60	18.81	28.50	37.42
Bajaj Finance (ECLGS-1.995 Cr)	-	-	4.81	10.10
Bajaj Finance (10.00 Cr.)	41.28	51.43	70.34	87.85
	54.88	**70.24**	**103.66**	**135.37**
(III) From Bank-Vehicle Loans				
HDFC BANK:				
Mahindra XUV 700	-	-	0.65	1.37
Toyota Vellfire	-	-	1.24	4.09
Innova (JG-7787)	0.36	0.79	1.58	-
Innova (JI-4748)	0.88	1.37	2.29	-
Creta	0.43	0.74	1.31	-
Mahindra Scorpio	-	-	1.21	-
Innova (Hr-7787)	-	-	-	0.80
BMW	-	-	-	1.41
UBOI BANK:				
BYD EV	1.21	2.07	-	-
Innova	0.97	1.47	-	-
AXIS BANK:				
Commercial Vehicle	-	0.21	0.98	-
YES BANK:				
Innova	-	-	-	0.07
Bank of India				
BMW	13.70	-	-	-
	17.55	**6.63**	**9.26**	**7.73**
Total Secured Borrowings	**406.17**	**294.82**	**462.07**	**562.30**

Loans and Advances from Related Parties:				
Unsecured				
From Directors				
Gopal Krishan Kothari	101.49	99.14	112.00	101.36
Amit Kothari	25.52	55.07	52.28	51.78
	127.01	**154.21**	**164.27**	**153.14**
From Share Holders & Relatives				
G K Kothari & Sons	70.61	71.26	59.25	59.85
Amit Kothari HUF	12.41	6.56	5.56	5.05
Mannat Kothari	32.14	3.03	0.20	2.60
Madhu Kothari	6.55	6.40	3.04	26.46
Savitri Devi	0.38	0.38	0.38	0.38
Naveen Behl HUF	-	15.00	15.00	15.00
Tamanna Kothari	3.30	-	-	-
	125.38	**102.62**	**83.43**	**109.34**
Total Unsecured Borrowings	**252.39**	**256.83**	**247.70**	**262.48**
Total	**658.57**	**551.66**	**709.77**	**824.77**

Installments falling due in respect of all the above loans in next 12 months & overdue balance, if any, have been grouped under "Current Maturities of Long Term Debts" under Note Short-Term Borrowings

Note 15.2 Nature of Security and terms of repayment for Long Term secured borrowings:

Note 15.2.1 Repayment of Term Loan
a) BANK LOANS

Particulars	Sanctioned Amount	Terms of Repayment	Rate of Interest
Axis Bank	100	Repayable in 72 Monthly installments. 71 Instalments of Rs 14.00 Lacs each commencing from April 2024 and Last installment of Rs 6 lacs due in March 2030.	Fixed 8.25% p.a.
Axis Bank	100	Repayable in 84 Monthly installments. 83 Instalments of Rs 12.00 Lacs each commencing from June 2025 and Last installment of Rs 4 lacs due in May 2032.	Fixed 8.25% p.a.
Federal Bank	100	Repayable in 54 Monthly installments of Rs 18.51 Lacs (Including Interest) each commencing from January 2021 . Last installment due in June, 2025.	Fixed 9.90% p.a.
Federal Bank	30	Repayable in 48 Monthly installments of Rs 7.50 Lacs (Including Interest) each commencing from February 2022 . Last installment due in January 2026.	Floating from 7.38% to 9.25% p.a.
Federal Bank (ECLGS)	15	Repayable in 48 Monthly of Rs 3.75 Lacs Including Interest) each commencing from July 2024. Last installment due in June, 2028.	Floating from 6.35% to 9.25% p.a.
Hdfc Bank (ECLGS)	115.4	Repayable in 48 Monthly installments of Rs 24.04 Lacs each commencing from March 2022 . Last installment due in February 2026.	Fixed 6.95% p.a.
Hdfc Bank	78.5	Repayable in 60 Monthly installments of Rs 13.08 Lacs each commencing from April 2022 . Last installment due in March 2027.	Fixed 7.42% p.a.
Hdfc Bank (ECLGS)	57.69	Repayable in 48 Monthly installments of Rs 12.02 Lacs each commencing from May 2024. Last installment due in April 2028.	Fixed 6.90% p.a.
Hdfc Bank	21.5	Repayable in 59 Monthly installments of Rs 3.64 Lacs each commencing from May 2022. Last installment due in March 2027.	Fixed 7.67% p.a.
Hdfc Bank	31.5	Repayable in 20 Quarterly installments of Rs 15.75 Lacs each commencing from April 2023. Last installment due in Jan, 2028.	Fixed 8% p.a.
Hdfc Bank	68.5	Repayable in 20 Quarterly installments of Rs 34.25 Lacs each commencing from April 2023. Last installment due in Jan, 2028.	Fixed 8.35% p.a.
Hdfc Bank	100	Repayable in 20 Quarterly installments of Rs 50.00 Lacs each commencing from December 2023. Last installment due in September, 2028.	Fixed 8.70% p.a.
Hdfc Bank	100	Repayable in 20 Quarterly installments of Rs 50.00 Lacs each commencing from Feb 2026. Last installment due in November, 2030.	Fixed 8.70% p.a.
Standard Chartered Bank	100	Repayable in 20 Quarterly installments of Rs 55 Lacs (USD 75000) each commencing from January 2020. Last installment due in October, 2024.	Variable from time to time over 3 month MIBOR
Bajaj Finance	50	Repayable in 73 Monthly installments of Rs 10.01 Lacs (Including Interest) each commencing from Sep-2022 . Last installment due in Nov-2027.	Fixed 9.50% p.a.
Bajaj Finance (ECLGS)	19.95	Repayable in 48 Monthly installments varied from Rs 3.64 Lacs to Rs 5.11 Lacs commencing from February 2022 . Last installment due in January 2026.	Fixed 10% p.a.
Bajaj Finance	100	Repayable in 61 Monthly installments of Rs 20.52 Lacs (Including Interest) each commencing from July 2023 . Last installment due in July 2028.	Fixed 9.10% p.a.

(All amounts in INR millions, unless otherwise stated)

b) VEHICLE LOANS

Particulars	Terms of Repayment	Rate of Interest
HDFC BANK:		
Mahindra Xuv 700	Repayable in 39 Monthly installments of Rs 67062/- each commencing from November 2022. Last installment due in January 2026.	Fixed 7.90% p.a.
Toyota Vellfire	Repayable in 39 Monthly installments of Rs 253339/- each commencing from June 2022. Last installment due in August 2025.	Fixed 7.10% p.a.
Innova (JG-7787)	Repayable in 39 Monthly installments of Rs 74531/- each commencing from December 2023. Last installment due in February 2027.	Fixed 8.55% p.a.
Innova (JI-4748)	Repayable in 39 Monthly installments of Rs 91340/- each commencing from May 2024. Last installment due in July 2027.	Fixed 9.35% p.a.
Creta	Repayable in 39 Monthly installments of Rs 55787/- each commencing from March 2024. Last installment due in May 2027.	Fixed 9.35% p.a.
Mahinera Scorpio	Repayable in 39 Monthly installments of Rs 65066/- each commencing from September 2023. Last installment due in November 2026.	Fixed 8.80% p.a.
Innova (HR-7787)	Repayable in 39 Monthly installments of Rs 69203/- each commencing from January 2022. Last installment due in March 2025.	Fixed 7.20% p.a.
Bmw	Repayable in 39 Monthly installments of Rs 286902/- each commencing from June 2021. Last installment due in August 2024.	Fixed 7.20% p.a.
UBOI BANK:		
BYD EV	Repayable in 36 Monthly installments of Rs 156226/- each commencing from June 2024. Last installment due in May 2027.	Floating 8.90% p.a.
Innova	Repayable in 36 Monthly installments of Rs 92219/- each commencing from September 2024. Last installment due in August 2027.	Floating 9% p.a.
AXIS BANK:		
Commercial Vehicle	Repayable in 36 Monthly installments of Rs 69715/- each commencing from July 2023. Last installment due in June 2026.	Fixed 9.10% p.a.
YES BANK:		
Innova	Repayable in 60 Monthly installments of Rs 35400/- each commencing from June 2019. Last installment due in May 2024.	Fixed 9.26% p.a.
Bank of India:		
BMW	Repayable in 60 Monthly installments of Rs 339439/- each commencing from September 2025. Last installment due in August 2030.	Fixed 7.5% p.a.

Note 15.2.2 Nature of Security

a) BANK LOANS

(I) Entire movable fixed assets including plant & machinery have been secured by way of First Pari-Passu charge

(II) Term Loans from Axis Bank,Federal Bank, Bajaj Finance & HDFC Bank has been secured by way of 1st parri passu charge on fixed assets of the company including equitable mortgage of following factory Land & Buildings

(i) C-3, Focal Point, Ludhiana,
(ii) D-1, Focal Point, Ludhiana
(iii) C-20, Focal Point, Ludhiana
(iv) E-2, Focal Point, Ludhiana
(v) SF-494, Kothakondapally Village, Hosur Taluk, Krishangiri Distt. Tamil Nadu.
(vi) Survey No. 339/2 & 344/2, Onnalavadi Village, Hosur Taluk, Krishnagiri District, Tamil Nadu.

(III) 2nd Parri passu charge in favour of term lenders on entire current assets including inventories, book debts & other receivables.

b) VEHICLE LOANS
Vehicle Loans are secured by way of Hypothecation of Vehicles.

Note (16) Lease Liabilities

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Lease Liability (Non-Current)	3.47	3.63	4.56	3.39
Lease Liability (Current)	0.45	0.93	1.22	3.76
Total	**3.92**	**4.56**	**5.77**	**7.14**

Notes:
(i). Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate on the date of transition.
(ii). The ROU assets were recognized at an amount equal to the lease liability or adjusted for prepayments and lease incentives. (Refer note m to the material accounting policies)
(iii).The adoption did not have a material impact on the net assets and equity of the Company.
Incremental Borrowing Rate was assessed by the Management at the rate of 8% per annum for the year ended 30th September 2025.

(All amounts in INR millions, unless otherwise stated)

Note 16.1 Movements of Lease Liabilities during the year

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening Balances	4.56	5.77	7.14	7.52
Additions on account of transition to Ind AS 116				
Additions during the year		-	4.53	2.53
Finance Charges	0.17	0.42	0.64	0.59
Less: Repayment towards lease liabilities	0.82	1.63	3.62	3.49
Less: Modifications, Remeasurements of lease liabilities			2.92	-
Balances at the end of year	**3.92**	**4.56**	**5.77**	**7.14**

NOTE (17) Deferred Tax Liabilities

Major components of deffered tax balances consists of the following :

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Deffered Tax Liabilities (net)				
(i) Property,Plant and Equipment	15.60	19.67	21.83	33.77
(ii) Employees Benefits	-	-	-	-
(iii) Change in Fair Value of Investment	0.31	0.45	0.44	0.22
(iv) Lease Receivables	-	-	0.58	1.11
(v) Remeasurement of Defined Benefit Plans	-	-	-	-
	15.91	**20.12**	**22.85**	**35.10**
(b) Deffered Tax Assets (net)				
(i) Property,Plant and Equipment	-	-	-	-
(ii) Provision for Gratuity	3.73	4.14	2.82	5.66
(iii) Remeasurement of Defined Benefit Plans	3.08	0.69	1.12	0.66
(iv) Difference in Lease liability and Right of use Asset	0.08	0.08	0.06	0.05
	6.90	**4.91**	**4.00**	**6.36**
Total	**9.01**	**15.22**	**18.86**	**28.74**

Note (18) Long-Term Provisions

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Present Value of Defined Benefit Obligation (Provision for gratuity)	14.82	16.44	14.87	22.47
Add/(Less): Remeasurement on Defined Benefit Plan (Income)/Loss	2.47	2.72	0.76	2.61
Total	**17.29**	**19.16**	**15.63**	**25.08**

Note (19) Borrowings

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Detail of Short Term Borrowings:-				
Secured				
Working Capital Loans				
(i) From Banks				
HDFC Bank-EPC (INR)	-	-	92.78	31.19
HDFC Bank-WCDL	-	100.00	100.00	150.00
SCB Cash Credit	-	-	-	3.51
Axis Bank-WCDL		45.00	-	-
(ii) From Financial Institutions				
Bajaj Finance WCDL	-	150.00	-	200.00
(Secured by way of first pari passu charge in favour of company's Bankers on entire current assets of the company including stocks and receivables of the company.)				
(Secured by way of Second pari passu charge on all movable fixed assets including plant & machinery and by way of equitable mortgage on land & building.)				
Current Maturities of Long term borrowings	179.49	172.17	211.18	213.68
Total	**179.49**	**467.17**	**403.95**	**598.38**

***Refer Note 48 annexed to the Restated Financial Statements**

Note (20) Trade Payables

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade Payables				
- Due to Micro & Small Enterprises	134.26	101.38	99.44	39.60
- Others	620.50	491.81	501.87	383.83
Total	**754.76**	**593.19**	**601.31**	**423.43**

(All amounts in INR millions, unless otherwise stated)

Note 20.1 Trade Payables Ageing Schedule

Outstanding for the Period Ended September 30, 2025

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	134.26	0.00		0.00	0.00	**134.26**
Others	584.24	32.38	0.62	0.34	2.92	**620.50**
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
Total	**718.50**	**32.38**	**0.62**	**0.34**	**2.92**	**754.76**

Outstanding for following periods from due date of payment (2024-25)

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	100.90	0.48		-	-	101.38
Others	443.72	44.19	0.68	3.07	0.16	491.81
	-	-	-	-	-	
Disputed dues-MSME						-
Disputed dues-Other	-	-	-	-	-	-
Total	**544.61**	**44.68**	**0.68**	**3.07**	**0.16**	**593.19**

Outstanding for following periods from due date of payment (2023-24)

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	94.22	5.22		-	-	99.44
Others	425.61	71.49	4.58	0.18	0.01	501.87
	-	-	-	-	-	
Disputed dues-MSME						-
Disputed dues-Other	-	-	-	-	-	-
Total	**519.83**	**76.72**	**4.58**	**0.18**	**0.01**	**601.31**

Outstanding for following periods from due date of payment (2022-23)

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	33.96	5.64		-	-	39.60
Others	324.63	56.74	0.75	0.00	1.71	383.83
	-	-	-	-	-	
Disputed dues-MSME						-
Disputed dues-Other	-	-	-	-	-	-
Total	**358.60**	**62.38**	**0.75**	**0.00**	**1.71**	**423.43**

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(All amounts in INR millions, unless otherwise stated)

Note (21) Other Financial Liabilities

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Creditors for Capital Goods				
- Due to Micro & Small Enterprises	5.66	8.76	10.17	0.55
- Others	18.56	89.62	18.34	9.94
(b) Interest Payable	10.34	3.14	4.62	10.45
(c) Contractual Rate Difference Payable	248.66	147.56	65.77	23.91
Measured at Fair Value through Profit or Loss				
Derivative Financial Instruments	-	0.25	-	3.48
Total	**283.22**	**249.34**	**98.90**	**48.32**

Note (22) Other Current Liabilities

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(i) Statutory Remittances	88.16	76.46	67.66	70.90
(ii) Contract Liabilities*	3.94	5.61	0.08	4.57
(iii) Others Payables (Expenses Payable)	176.80	142.00	147.05	82.25
Total	**268.90**	**224.06**	**214.79**	**157.73**

*** Contract Liabilities are advances received on contracts entered with customers for which performance obligations are yet to be performed, therefore, revenue will be recognised when the goods are pass on to the customers.**

Note (22.1) Movement of Contract Liabilities

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening Current Liabilities	5.61	0.08	4.57	1.00
Less: Amount recognised in revenue	5.61	0.08	4.57	1.00
Add: Amount received in advance	3.94	5.61	0.08	4.57
Closing Contract Liabilities	**3.94**	**5.61**	**0.08**	**4.57**

Note (23) Short-term Provisions

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Provision for Employee Benefits:				
(i) Provision for Bonus	66.02	42.75	38.62	33.70
(ii) Leave with Wages	18.38	11.86	10.58	9.13
(b) Provision for Taxation (Net of Prepaid Taxes)	54.03	18.64	21.88	11.29
Total	**138.43**	**73.25**	**71.08**	**54.12**

Note (24) Revenue from Operations

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Sale of Products	4,421.23	7,085.98	6,339.06	5,663.76
Other Operating Revenues	239.40	418.66	384.10	363.16
Total	**4,660.63**	**7,504.64**	**6,723.16**	**6,026.92**

Note 24.1 Ind AS 115 "Revenue from Contracts with Customers" applies with limited exceptions, to all revenue arising from contracts with its customers. The company adopted Ind AS 115 using the modified retrospective method of adoption with the date of transition date April 01, 2022 which does not require restatement of comparative year. The company elected to apply the standard to all contracts as at April 01, 2022. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 24.2 The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Note 24.3 Particulars of Sale of Products

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(i) Manufacturing Sales				
Indigeneous	3,994.98	6,711.50	5,879.49	5,320.89
Export	426.25	374.47	459.58	342.87
Total - Sale of Goods Manufactured	**4,421.23**	**7,085.98**	**6,339.06**	**5,663.76**
(ii) Other operating revenues comprise:				
Sale of Scrap	229.45	409.53	372.99	355.48
Duty drawback and other export incentives	9.94	9.13	11.11	7.69
Total - Other Operating Revenue	**239.40**	**418.66**	**384.10**	**363.16**

(All amounts in INR millions, unless otherwise stated)

Note 24.4 The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit or loss

Note (25) Other Income

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(a) Interest income comprises:				
Interest from Banks	-	0.02	0.02	0.02
Interest on Loans and Advances	3.02	11.09	17.75	19.24
Interest on Lease Recievable	-	0.10	0.28	0.44
Other Interest	-	2.46	6.80	1.34
Total - Interest income *	**3.02**	**13.67**	**24.84**	**21.04**
(b) Other Non Operating Income				
(i) Profit on Sale of Property, Plant & Equipment (net)	5.12	1.49	-	-
(ii) Sundry Balances Written Off	0.01	-	2.61	-
(iii) Gain on Derecognition of Lease liability	-	-	0.30	-
(iv) Misc Income	-	0.06	0.02	0.01
(v) Incentive received u/s 194R	0.04	0.11	0.10	-
(vi) Rent Received-Others	1.32	0.10	0.09	0.09
(vii) Rebate & Discount	0.00	0.93	1.50	0.07
(viii) Gain on change in Fair Value of Investments	0.29	0.04	0.87	0.14
(ix) Gain on Derivative Instruments	-	-	2.25	-
(x) Notice Period Salary/Wages	0.11	1.07	-	0.28
(xi) Freight Received on Behalf of Kothari Exports	-	3.23	2.26	2.90
Less: Freight Transfered to Kothari Exports	-	(3.23)	(2.26)	(2.90)
Total - Other Non-Operating Income	**6.89**	**3.80**	**7.75**	**0.58**
Total	**9.90**	**17.47**	**32.59**	**21.62**

***Refer Note 48 annexed to the Restated Financial Statements**

Note (26) Cost of Materials Consumed

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Opening stock	266.36	226.24	248.58	236.22
Add: Purchases	2,435.14	4,068.33	3,772.13	3,522.61
Less: Closing Stock	249.45	266.36	226.24	248.58
Total	**2,452.05**	**4,028.21**	**3,794.47**	**3,510.25**

Note (27) Changes in Inventories of finished goods,stock-in-trade and work-in-progress

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Inventories at the beginning of the year:				
Finished goods	103.65	73.81	60.79	65.82
Work-in-progress	522.88	488.83	355.30	317.78
Stock-in-trade (acquired for trading)	-	-	-	-
	626.53	562.65	416.09	383.61
Inventories at the end of the year:				
Finished goods	39.59	103.65	73.81	60.79
Work-in-progress	514.29	522.88	488.83	355.30
Stock-in-trade (acquired for trading)	-	-	-	-
	553.88	626.53	562.65	416.09
Net (increase) / decrease	**72.66**	**(63.89)**	**(146.55)**	**(32.49)**

(All amounts in INR millions, unless otherwise stated)

Note (28) Employee Benefits Expenses

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Salaries and Wages	559.36	923.31	803.80	691.00
Contributions to Provident and other Funds	33.50	57.62	52.03	44.18
Staff Welfare Expenses	34.74	63.27	56.09	51.13
Gratuity	12.64	20.42	20.95	18.38
Total	**640.24**	**1,064.62**	**932.88**	**804.69**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund & Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 28.1 Employee Benefits Expenses

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(a) Salaries and Wages includes				
Salaries & Allowances				
Salaries	130.81	110.68	101.07	86.40
H.R.A	0.94	4.03	5.02	4.08
Conveyance Allowance	4.13	3.96	4.20	3.88
Washing Allowance	0.00	0.01	0.00	0.00
Salary/Wages-Notice Period	-	-	1.73	-
Wages & Allowances				
Wages	351.30	669.98	560.47	460.51
H.R.A	13.80	25.02	23.10	21.79
Conveyance Allowance	9.12	19.48	17.69	16.21
Washing Allowance	0.07	0.09	0.09	0.06
Other Benefits				
Director's Remuneration	15.46	31.36	36.89	52.51
Ex-Gratia Expenses	-	-	-	0.07
Bonus	26.30	45.75	41.85	35.20
Leave With Wages	7.19	12.70	11.43	9.44
Medical Aid	0.23	0.25	0.26	0.86
	559.36	**923.31**	**803.80**	**691.00**
(b) Contributions to provident and other funds includes				
Provident Fund	25.81	44.33	39.78	33.35
Labour Welfare Fund	0.31	0.54	0.49	0.52
E.S.I	6.90	11.79	10.41	9.17
National Pension Scheme	0.47	0.97	1.31	1.14
E.S.I./ P.F. Others	-	-	0.04	-
	33.50	**57.62**	**52.03**	**44.18**
(c) Staff welfare expenses includes				
Labour Welfare	13.25	11.22	12.02	8.58
Staff Welfare	0.62	1.08	1.18	1.65
Canteen Expenses	1.76	9.83	8.82	8.14
Festival Expenses	0.12	3.62	2.90	3.56
Staff Insurance	13.70	25.60	24.05	23.39
Premium Renewal Expenses	0.27	0.68	0.72	0.64
Employees Compensation Expenses	0.10	0.12	0.11	0.12
Staff Recruitment & Training	4.91	11.11	6.30	5.04
	34.74	**63.27**	**56.09**	**51.13**

Note (29) Finance Costs

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(a) Interest expense on:				
(i) Borrowings *	65.50	138.90	145.17	122.79
(ii) Others	0.03	-	0.01	0.06
(iii) Lease Liability	0.17	0.42	0.64	0.59
(b) Bank charges	0.07	0.68	0.41	0.90
(c) Net loss on Foreign Currency Transactions & Translation	0.19	(2.67)	3.57	6.21
	65.96	**137.33**	**149.80**	**130.55**
Less : Interest Capitalized on Fixed Assets & Capital Advances	6.68	15.92	17.16	9.68
Total	**59.29**	**121.41**	**132.64**	**120.88**

***Refer Note 48 annexed to the Restated Financial Statements**

(All amounts in INR millions, unless otherwise stated)

Note 29.1 Finance Costs

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(a) Interest on Borrowing includes:-				
Interest on Term Loan	29.45	48.77	58.62	49.07
Interest on Working Capital Borrowings	33.61	78.41	75.16	58.77
Interest on Car Loans	0.55	1.39	1.08	1.37
Interest on Commercial Vehicle Loans	0.03	0.12	0.15	0.07
Interest on Unsecured Loans	1.86	10.22	10.17	13.52
Total	**65.50**	**138.90**	**145.17**	**122.79**

Note (30) Depreciation & Amortization Expenses

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Depreciation on Property, Plant & Equipment	114.73	227.82	238.68	209.55
Depreciation on Right of Use Asset	0.65	1.30	3.17	3.26
	115.38	**229.11**	**241.85**	**212.81**
Amortisation on Intangible Assets	0.50	0.85	0.87	0.61
Total	**115.88**	**229.96**	**242.72**	**213.42**

Note (31) Other Expenses

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(i) Manufacturing Expenses				
Stores & Spare Consumed	319.96	504.69	423.19	340.27
Power & Fuel	233.19	391.77	344.92	285.13
Testing, Inspection & segregation charges	2.11	7.83	2.21	1.50
Job Work	176.50	354.55	282.97	198.14
Repair to Machinery	77.35	105.22	94.78	81.95
Repair to Electricals	7.75	12.89	9.30	9.85
Sub Total	**816.86**	**1,376.96**	**1,157.37**	**916.83**
(ii) Selling and Distribution Expenses				
(a) Freight and Forwarding				
Truck Expenses	5.53	9.89	9.47	7.62
Freight, Cartage & Octroi Outwards	113.28	200.73	175.45	177.97
Packing & Forwarding	36.53	53.01	40.14	37.92
Warehousing Charges	0.36	0.56	0.76	0.59
(b) Sales Commission				
Foreign Agent	-	-	-	0.29
(c) Business Promotion				
Business Promotion	2.75	3.33	2.43	0.31
Advertisement Expenses	0.02	0.10	0.31	0.31
Sub Total	**158.48**	**267.62**	**228.56**	**225.01**

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(All amounts in INR millions, unless otherwise stated)

(iii) Establishment Expenses	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Car Conveyance	0.87	1.80	2.38	2.70
Club Expenses	0.00	0.02	0.03	0.02
Conveyance	0.05	0.14	0.13	0.15
CSR Expenses (Refer Note 32)	5.42	4.42	1.65	3.21
Donation	0.49	0.38	0.28	0.24
E-Mail & Internet	0.97	1.45	1.48	0.99
Fine & Penalty	0.00	0.07	0.03	0.03
Fire Extinguisher Expenses	0.34	0.60	0.62	0.53
Insurance	13.45	20.12	17.37	14.90
Legal & Professional Charges	3.97	6.50	13.26	6.59
Loss on Sale of Property, Planty & Equipment (net)	-	-	1.20	2.13
Loss on Derivative Instruments	0.17	1.94	-	8.04
Miscellaneous Expenses	2.50	3.33	2.73	2.25
Mobile Phone Expenses	0.13	0.36	0.28	0.23
News Paper Books & Periodicals	0.01	0.02	0.00	0.00
Postage & Stamps	0.07	0.29	0.25	0.19
Professional Tax	0.00	0.00	0.00	0.00
Q.S/ISO Expenses	0.05	0.47	0.36	0.50
Rates Fee & Taxes	1.69	2.81	2.71	3.23
Rent Account	2.10	3.52	3.75	2.59
Scooter Conveyance	0.07	0.14	0.14	0.14
Security Expenses	1.43	3.90	4.05	2.64
Shifting Charges	0.84	1.69	1.74	1.86
Stationery & Printing	2.00	3.55	3.12	2.46
Subscriptions	0.26	0.38	0.79	3.24
Sundry Balances Written Off	0.00	0.01	-	0.06
Rebate & Discount	0.02	-	-	-
Software Expenses	2.09	2.66	3.80	2.10
Telephone Expenses	0.09	0.18	0.19	0.37
Travelling Expenses	13.48	25.73	20.53	16.78
Water & Sewerage Charges	0.24	0.19	0.31	0.37
Payment to Auditors	0.00	0.20	0.20	0.20
Cost Audit Fees	0.00	0.06	0.06	0.06
TPM Expenses	2.30	1.98	2.37	1.39
Ground Water Extraction Charges	0.12	0.28	0.22	-
Petrol Expenses	-	-	0.02	-
Excise Duty	-	-	0.01	-
Demat Charges	-	-	0.00	-
Safety Expenses	0.18	0.28	0.71	0.12
Repairs				
Building	13.51	17.90	15.55	15.02
Others	5.81	8.79	7.03	6.44
Sub Total	**74.72**	**116.15**	**109.34**	**101.79**
Grand Total	**1,050.07**	**1,760.72**	**1,495.27**	**1,243.63**

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(All amounts in INR millions, unless otherwise stated)

Note 31.1 Payments to Auditors :-

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Statutory Audit Fees & Certification Charges	-	0.16	0.16	0.16
Tax Audit Fees	-	0.04	0.04	0.04
Total	**-**	**0.20**	**0.20**	**0.20**

Note 31.2 Value of Consumption of Spare Parts and Power & Fuel

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
CONSUMABLE STORES & SPARES				
Opening Stock	145.13	106.41	80.77	60.68
Consumable Stores	32.55	60.17	53.26	52.37
Purchase Cutting Tools	185.89	269.80	212.92	176.27
Tools & Dies	54.88	102.21	98.65	63.62
Lubricants	68.42	111.23	84.01	68.10
	486.87	649.82	529.61	421.03
Less: Closing Stock	166.91	145.13	106.41	80.77
Sub Total	**319.96**	**504.69**	**423.19**	**340.27**
POWER AND FUEL				
Opening Stock	2.63	2.51	2.25	2.77
Furnace Oil	-	0.00	0.52	0.32
Gas (LPG)	34.63	65.04	58.75	59.11
Electricity Expenses	184.68	306.29	264.35	210.17
Diesel	15.00	20.56	21.56	15.01
	236.95	394.40	347.43	287.38
Less: Closing Stock	3.75	2.63	2.51	2.25
Sub Total	**233.19**	**391.77**	**344.92**	**285.13**

Note 31.3 Value of Repairs - Others

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Repair To Furniture	0.21	0.28	0.25	0.07
Repair To Air Conditioner	0.47	0.76	0.70	0.64
Repair To Car	0.41	1.48	1.47	1.74
Repair To Computer	0.47	0.77	0.67	0.53
Repair To Cooler	0.08	0.23	0.04	0.02
Repair To Crane	0.01	0.02	0.02	0.00
Rep. To Close Circut T.V.	0.17	0.26	0.12	0.10
Repair To Fan	0.17	0.15	0.20	0.22
Repair To Lifter	1.56	1.69	1.07	1.33
Repair To Mobile Phone	0.00	0.02	0.00	0.01
Repair To Motor Cycle	0.02	0.02	0.02	0.03
Repair To Photo State Machine	0.01	0.02	0.03	0.08
Repair To Scooter	0.01	0.04	0.04	0.05
Repair To Telephone & Pbx	0.02	0.07	0.17	0.06
Repair To Weighing Scale	0.11	0.17	0.48	0.12
Repair To Water Cooler	0.03	0.05	0.03	0.02
Repair To U.P.S	0.32	0.45	0.25	0.72
Repair To Miscellaneous	0.30	0.37	0.29	0.05
Repair To Crate & Trolly	0.99	1.66	0.91	0.25
Repair Maint. (R & D)	0.45	0.29	0.28	0.42
Sub Total	**5.81**	**8.79**	**7.03**	**6.44**

Note (32) Corporate Social Responsibility (as per section 135 of the Companies Act, 2013 read with Schedule VII there of

As per Section 135 of the companies act,2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsiility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the act. The fund were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act,2013. The details are as under :-

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(a) Gross amount required to be spent by the Company	2.92	4.49	2.67	2.01
(b) Amount of expenditure incurred	5.42	4.42	1.65	3.21
(i) Construction/Acquisition of assets				
(ii) On purposes other than (i) above	5.42	4.42	1.65	3.21
Unspent Amount	(2.50)	0.07	1.02	-
Amount adjusted with excess amount spent b/f from previous years	0.20	0.26	1.28	
Excess spent amount carried forward in next year	2.70	0.20	0.26	1.28
(c) Related party transactions in relation to Corporate Social Responsibility	-	-	-	-

(All amounts in INR millions, unless otherwise stated)

Note (33) Income Tax Expense

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
(a) Current Tax:				
Current Year	70.60	95.00	72.50	61.00
Less: Adjustments for current tax of prior periods	-	-	-	0.03
Total (a)	70.60	95.00	72.50	61.03
(b) Deferred Tax:				
Deferred tax recognised in statement of profit or loss	(3.80)	(4.08)	(9.43)	(11.00)
Deferred Tax recognised in other comprehensive income	(2.40)	0.43	(0.46)	(0.47)
Total (b)	(6.20)	(3.64)	(9.89)	(11.46)
Total Tax expense (a+b)	**64.40**	**91.36**	**62.61**	**49.57**

Note 33.1 Reconciliation of Effective Tax Rate

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Profit Before Tax	280.36	381.07	304.33	188.16
Applicable Tax Rate (enacted tax rate in India)	25.168%	25.168%	25.168%	25.168%
Expected Income Tax expense at statutory tax rate	70.56	95.91	76.59	47.36
Tax effect of:				
Expenses not deductible for tax purposes	0.44	0.44	3.06	2.07
Expenses deductible for tax purposes	(6.61)	(4.09)	(12.95)	(17.28)
Other Items	0.41	3.64	(4.09)	17.42
Tax expense for the year	64.40	91.36	62.61	49.57
Effective Tax Rate (%)	22.97	23.97	20.57	26.34

Note (34) Earnings Per Share (EPS)

Basic Earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of equity shares outstanding for the year. Diluted earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of shares and diluted potential equity shares outstanding for the year.

The following table reflects the income and share data used in the basic and diluted EPS computations

Particulars	For the Period Ended September 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Face value of Equity Shares (Rs.5 per share)				
Profit attributable to equity shareholders (A)	213.57	290.15	241.26	138.13
Equity shares at the end of the year	45,975,360	45,975,360	45,975,360	45,975,360
Weighted average number of equity shares for Basic EPS (B)*	45,975,360	45,975,360	45,975,360	45,975,360
Basic EPS (Amount in Rs.)	**4.65**	**6.31**	**5.25**	**3.00**
Effect of Dilution:				
Weighted average number of potential equity shares		-	-	-
Weighted average number of equity shares adjusted for the effect of dilution*	45,975,360	45,975,360	45,975,360	45,975,360
Diluted EPS (Amount in Rs.)	**4.65**	**6.31**	**5.25**	**3.00**

(i) The company does not have any potential equity shares, thus weighted average number of equity shares for computation of basic and diluted EPS remains same.
(ii) During the period ended September 30, 2025 company has sub divided the face value of Equity shares from 10/- each to 5/- each.

(iii) During the period ended September 30, 2025 the company has issued bonus shares without consideration. The weighted average number of shares for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 have been adusted to reflect the impact of bonus share and sub division.

Note (35) Derivative Financial Instruments

Particulars	As At September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Held to Maturity				
Fair Value through Profit or Loss				
Derivative Financial Assets	-	-	0.33	-
Derivative Financial Liabilities	-	0.25	-	3.48

Forward Contracts are measured at fair value. Amount represents unrealised gain/loss on forward contract booked for the purpose of hedging risk towards foreign currency exposures of company during the year.

Note 35.1 Derivative Financial Assets

Details of Outstanding Forward Contracts As At March 31, 2024

Booking Date	Maturity Date	Notional Amount	Fair Value
09/02/2024	8/13/2024	41.70	(0.05)
18/04/2022	4/16/2024	33.36	0.40
09/02/2024	8/13/2024	44.94	(0.03)
Total		**120.00**	**0.33**

Note 35.2 Derivative Financial Liabilities

Details of Outstanding Forward Contracts As At March 31, 2025

Booking Date	Maturity Date	Notional Amount	Fair Value
10/21/2024	4/23/2025	**33.95**	**(0.25)**

(All amounts in INR millions, unless otherwise stated)

Details of Outstanding Forward Contracts As At 31.03.2023

Booking Date	Maturity Date	Notional Amount	Fair Value
09/09/2021	9/9/2023	41.09	(1.47)
08/11/2021	11/8/2023	41.09	(1.38)
18/04/2022	4/16/2024	32.87	(1.00)
24/01/2023	7/27/2023	17.89	0.09
02/02/2023	8/11/2023	17.89	0.34
13/03/2023	9/20/2023	17.89	(0.20)
23/03/2023	9/29/2023	17.89	0.14
Total		**186.59**	**(3.48)**

Derivatives not designated as Hedging Instruments:

The Company uses foreign exchange forward contracts to manage its exposure to risks associated with foreign currency. These derivative contracts are not designated as hedging instrument in cash flow hedge and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward contracts.

All derivative contracts are recognised on the balance sheet and measured at fair value. Accounting method applied is as per Ind AS-109. Gain/loss arising on account of fair value changes are routed through profit or loss instead of other comprehensive income.

The following table includes the maturity profile of the foreign exchange derivatives as on March 31, 2025 contracts:

	Maturity			
Particulars	**1 to 6 months**	**6 to 12 months**	**12 to 24 months**	**Total**
As At March 31, 2025				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	0.40	-	-	**0.40**
Average Forward Rate (USD/INR)	85.50			

The following table includes the maturity profile of the foreign exchange derivatives as on March 31, 2024 contracts:

	Maturity			
Particulars	**1 to 6 months**	**6 to 12 months**	**12 to 24 months**	**Total**
As At March 31, 2024				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	**-**	0.50	0.40	**0.90**
Notional Amount (in EURO)	**-**	0.50	-	**0.50**
Average Forward Rate (USD/INR)		83.65	83.30	
Average Forward Rate (EURO/INR)	**-**	90.82		

The following table includes the maturity profile of the foreign exchange derivatives as on 31.03.2023 contracts:

	Maturity			
Particulars	**1 to 6 months**	**6 to 12 months**	**12 to 24 months**	**Total**
As At 31.03.2023				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	**-**	**-**	1.40	**1.40**
Notional Amount (in EURO)		0.80	-	**0.80**
Average Forward Rate (USD/INR)			83.57	
Average Forward Rate (EURO/INR)		90.54		

Note (36) Fair Value Measurements

(i) Financial Instruments by category

The details of siginificant accounting policies, including crieteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability disclosed.

As At 30.09.2025

a) Financial Assets

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	0.21	2.59	-	**2.80**
(ii) Other Financial Assets	-		61.67	**61.67**
(iii) Trade Receivables	-	-	733.58	**733.58**
(iv) Cash & Cash Equivalents	-	-	184.60	**184.60**
(v) Other Balances with Banks	-	-	0.49	**0.49**
(vi) Lease Receivables	-	-	-	**-**
(viii) Loans & Advances	-	-	94.79	**94.79**

b) Financial Liabilities

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	658.57	**658.57**
(ii) Lease Liabilities	-	-	3.92	**3.92**
(iii) Current Borrowings	-	-	179.49	**179.49**
(iv) Trade Payables	-	-	754.76	**754.76**
(iv) Other Financial Liabilities	-	-	283.22	**283.22**

(All amounts in INR millions, unless otherwise stated)

As At March 31, 2025
a) Financial Assets
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	0.21	2.30	-	**2.51**
(ii) Other Financial Assets	-		52.54	**52.54**
(iii) Trade Receivables	-	-	547.11	**547.11**
(iv) Cash & Cash Equivalents	-	-	73.87	**73.87**
(v) Other Balances with Banks	-	-	0.48	**0.48**
(vi) Lease Receivables	-	-	-	**-**
(viii) loans & Advances	-	-	19.62	**19.62**

b) Financial Liabilities
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	551.66	**551.66**
(ii) Lease Liabilities	-	-	4.56	**4.56**
(iii) Current Borrowings	-	-	467.17	**467.17**
(iv) Trade Payables	-	-	593.19	**593.19**
(iv) Other Financial Liabilities	-	0.25	249.09	**249.34**

As At March 31, 2024
a) Financial Assets
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at amortised cost	Total Fair Value
(i) Investments	-	2.26	-	**2.26**
(ii) Other Financial Assets	-	0.33	38.55	**38.88**
(iii) Trade Receivables	-	-	457.74	**457.74**
(iv) Cash & Cash Equivalents	-	-	246.69	**246.69**
(v) Other Balances with Banks	-	-	0.46	**0.46**
(vi) Lease Receivables	-	-	2.30	**2.30**
(viii) loans & Advances	-	-	22.76	**22.76**

b) Financial Liabilities
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	709.77	**709.77**
(ii) Lease Liabilities	-	-	5.77	**5.77**
(iii) Current Borrowings	-	-	403.95	**403.95**
(iv) Trade Payables	-	-	601.31	**601.31**
(v) Other Financial Liabilities	-	-	98.90	**98.90**

As At March 31, 2023
a) Financial Assets
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	-	1.39	-	**1.39**
(ii) Other Financial Assets	-	-	31.27	**31.27**
(iii) Trade Receivables	-	-	444.87	**444.87**
(iv) Cash & Cash Equivalents	-	-	189.91	**189.91**
(v) Other Balances with Banks	-	-	0.44	**0.44**
(vi) Lease Receivables	-	-	4.42	**4.42**
(viii) loans & Advances	-	-	40.61	**40.61**

b) Financial Liabilities
Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	824.77	**824.77**
(ii) Lease Liabilities	-	-	7.14	**7.14**
(iii) Current Borrowings	-	-	598.38	**598.38**
(iv) Trade Payables	-	-	423.43	**423.43**
(v) Other Financial Liabilities	-	3.48	44.85	**48.32**

(All amounts in INR millions, unless otherwise stated)

The carrying amounts of trade receivables, trade payable, cash & cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair value.

(ii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining fair values of the financial instruments that are:
To provide an indiaction about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Ind AS 113 which are as below:

Level 1: It includes financial instruments measured at using quoted prices and the mutual funds are measured at closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.
If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(iii) Valuation Technique used to determine fair value

a) The fair value of investments in mutual fund units is based on the Net Asset Value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which issuers will redeem such units from the investors.

b) The fair value of investments in unqoted equity shares is based on the Net Asset Value (NAV) of the equity shares of such companies i.e. book value of the Net Worth of the Companies.

c) the fair value of forward exchange contracts is determined using forward exchange rates at the balance sheet date.

d) the fair value of interest-bearing borrowings & loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of reporting year.

e) the fair value of the remaining financial instruments is determined using discounted cash flow analysis using rates currently available for debt on similar terms, credit risk & remaining maturities.

The below table summarises the categories of financial assets and financial liabilities as at 30.09.2025 are as follows:

As At 30.09.2025	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Investments in Mutual Funds	2.59	-	-	**2.59**
Financial Assets at Fair Value through OCI				
Investments in Unquoted Equity Shares			0.21	**0.21**
Financial Liabilities at Fair Value through Profit or Loss	-	-	-	-

The below table summarises the categories of financial assets and financial liabilities as at March 31, 2025 are as follows:

As At March 31, 2025	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Investments in Mutual Funds	2.30	-	-	**2.30**
Financial Assets at Fair Value through OCI				
Investments in Unquoted Equity Shares			0.21	**0.21**
Financial Liabilities at Fair Value through Profit or Loss				
Derivative Financial Liabilities	-	0.25	-	**0.25**

The below table summarises the categories of financial assets and financial liabilities as at March 31, 2024 are as follows:

As At March 31, 2024	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Investments in Mutual Funds	2.26	-	-	**2.26**
Derivative Financial Assets	-	0.33	-	**0.33**

(All amounts in INR millions, unless otherwise stated)

The below table summarises the categories of financial assets and financial liabilities as at March 31, 2023 are as follows:

As At March 31, 2023	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Financial Assets at Fair Value through Profit or Loss				
Investments in Mutual Funds	1.39	-	-	**1.39**
Financial Liabilities at Fair Value through Profit or Loss				
Derivative Financial Liabilities		3.48	-	**3.48**

Note (37) Assets and Liabilities relating to Employee Benefits as per IND-AS 19
See Accounting policy in note 1
For details about the related employee benefit expenses see note 43

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the company has no further obligation beyond making the contributions.
The expenses recognised during the year towards defined contributions plans are as detailed below:

Particulars	As At September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provident Funds and Other Funds	25.81	44.33	39.82	33.35
ESIC	6.90	11.79	10.41	9.17
Labour Welfare Fund	0.31	0.54	0.49	0.52
National Pension Scheme	0.47	0.97	1.31	1.14
Total	**33.50**	**57.62**	**52.03**	**44.18**

B. Defined Benefit Obligation:
Background:

Gratuity is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the enterprise.

The Net Defined Benefit Liability/(Asset) is the Net (Surplus)/Deficit in the plan netted off by effect of Asset Ceiling, if any. It is arrived by deducting Fair Value of Plan Assets from the Defined Benefit Obligation as on the date of valuation.

As required under para 67 of Ind-AS 19 actuarial valuation is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are to be considered for valuation. present value of defined benefit obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and project the benefit till the time of retirement of each active member using assumed rates of salary escalation, mortality and employee turnover rates. The expected benefit payments are then discounted back from the future date of payment to the date of valuation using the assumed discount rate.

Service Cost is calculated seperately in respect of benefit accured during the current period using the same method as described above. However, instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Recognition of Actuarial Gains/Losses

All the remeasurements, comprising of actuarial gains/losses on DBO & Fair value of assets, arising during the reporting period have been recognized in full through outside of Profit & Loss account through Other Comprehensive Income.

Discount Rate:
Discount Rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep & secondary bond market in India, government bond yields are used to arrive at the discount rate.

Risk Posed by the Plan
Gratuity is a multiple of last drawn salary paid at the time of retirement/resignation/death. The actuarial risk i.e. unusual (typically high) salary growth or turnover rate can increase the cost of providing the benefit. It can also alter timing of cashflows. This risk is borne by the employer. Gratuity is paid as lumpsum and hence there

Various Risk Exposures

Salary escalation rate
More than expected increase in the future salary levels may result in increase in the liability

Employee Turnover rate/Withdrawal rate
If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase in the liability

(The space has been left blank intentionally)

(All amounts in INR millions, unless otherwise stated)

Mortality / Disability
If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase in the liability

Discount Rate
In case the yield on the government bonds drops in the future period then it may result in increase in the liability

Investment Risk
If the plan is funded then in case the actual return on the plan assets drops in the future period it may result in increase in the liability. There is also a risk of asset liability matching i.e. the cashflow for plan assets does not match with cashflow for plan liabilities.

Asset Information
The scheme is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company.

Funding Requirements
Currently there are no minimum funding requirements in India. The investments made by the trust are regulated by the Income Tax Act. The enterprise and the trustees should ensure compliance with the provisions of the said act.

Amount Recognised in the Statement of Financial Position at the Period-End.	**As At September 30, 2025**	**As At March 31, 2025**	**As At March 31, 2024**	**As At March 31, 2023**
Gross Present Value of Defined Benefit Obligation	190.03	174.87	150.25	124.32
Fair Value of Plan Assets	172.73	155.71	134.62	99.24
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	**17.29**	**19.16**	**15.63**	**25.08**

Net Defined Benefit Cost/(Income) included in the Statement of Profit & Loss at the Period-End	**For the Period Ended 30.09.2025**	**For the year ended 24-25**	**For the year ended 23-24**	**For the year ended 22-23**
Service Cost	12.62	20.48	19.87	17.05
Net Interest Cost	0.03	(0.06)	1.33	1.33
Past Service Cost			-	-
Administration Expenses			-	-
(Gain)/Loss due to Settlement/ Curtailments/ Terminations/ Divestitures			-	-
Total Defined Benefit Cost/(Income) included in the Statement of Profit & Loss at the Period-End	**12.64**	**20.42**	**21.20**	**18.38**

Current/ Non-Current Bifurcation	**As At September 30, 2025**	**As At March 31, 2025**	**As At March 31, 2024**	**As At March 31, 2023**
Current Benefit Obliagtion	52.92	59.74	52.23	39.50
Non-Current Benefit Obligation	137.10	115.14	98.03	84.82
(Asset)/ Liability Recognised in the Balance Sheet	**190.03**	**174.87**	**150.25**	**124.32**

Actual Return on Plan Assets	**As At 30.09.2025**	**As At March 31, 2025**	**As At March 31, 2024**	**As At March 31, 2023**
Interest Income on Plan Assets	5.02	9.54	7.20	4.61
Remeasurements on Plan Assets	-	0.98	0.64	0.57
Total Return on Plan Assets	**5.02**	**10.53**	**7.84**	**5.19**

Analysis of Amounts Recognised in Other Comprehensive (Income)/ Loss at Period-End	**For the Period Ended 30.09.2025**	**For the year ended 24-25**	**For the year ended 23-24**	**For the year ended 22-23**
Amounts recognised in OCI, Beginning of Period	10.05	7.32	2.88	0.27
Remeasurements due to:				
Effect of Change in Financial Assumptions	(0.50)	3.23	0.75	(4.40)
Effect of Change in Demographic Assumptions	1.07	-	-	-
Effect of Experience Adjustments	1.90	0.48	4.33	7.59
(Gain)/ Loss on Curtailments/ Settlements	-	-	-	-
Return on Plan Assets (excluding interest)	-	(0.98)	(0.64)	(0.57)
Changes in Asset Ceiling	-	-	-	-
Total Remeasurements recognised in OCI	2.47	2.72	4.44	2.61
Amount Recognised in OCI, End of Period	**12.52**	**10.05**	**7.32**	**2.88**

Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income	**For the Period Ended 30.09.2025**	**For the Year 24-25**	**For the Year 23-24**	**For the Year 22-23**
Amount recognised in P&L, End of Period	12.64	20.42	20.95	18.38
Amount recognised in OCI, End of Period	2.47	2.72	4.44	2.61
Total Net Defined Benefit Cost/(Income) recognised at Period-End	**15.12**	**23.14**	**25.40**	**20.99**

Change in the Unrecognised Asset due to Asset Ceiling during the period	**For the Period Ended 30.09.2025**	**For the year ended 24-25**	**For the year ended 23-24**	**For the year ended 22-23**
Unrecognised Asset, Beginning of the Period	-	-	-	-
Interest on unrecognised Asset Recognised in P & L	-	-	-	-
Other changes in Unrecognised Asset due to Asset Ceiling	-	-	-	-
Unrecognised Asset, End of Period	-	-	-	-

Change in Defined Benefit Obligation during the period	For the Period Ended 30.09.2025	For the year ended 24-25	For the year ended 23-24	For the year ended 22-23
Defined Benefit Obligation, Beginning of period	174.87	150.25	124.32	104.57
Net Current Service Cost	12.62	20.48	19.87	17.05
Interest Cost on DBO	5.05	9.49	8.28	5.94
Actual Plan Participants' Contributions	-	-	-	-
Actuarial (Gains)/Losses	2.47	3.71	5.08	3.18
Chnages in Foreign Currency Exchange Rates	-	-	-	-
Acquisition/ Business Combination/ Divestiture	-	-	-	-
Benefits Paid	(4.99)	(9.05)	(7.31)	(6.42)
Past Service Cost	-	-	-	-
Losses/ (Gains) on Curtailments/ Settlements	-	-	-	-
Defined Benefit Obligation, End of Period	**190.03**	**174.87**	**150.25**	**124.32**

Change in Fair Value of Plan Assets during the period	For the Period Ended 30.09.2025	For the year ended 24-25	For the year ended 23-24	For the year ended 22-23
Fair Value of Plan Assets, Beginning of Period	155.71	134.62	99.24	75.28
Interest income Plan Assets	5.02	9.54	7.20	4.61
Actual Company Contributions	16.99	19.62	34.85	25.20
Actual Plan Participants' Contributions	-	-	-	-
Actual Taxes paid	-	-	-	-
Actual Administration Expenses Paid	-	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-	-
Actuarial Gains/ (Losses)		0.98	0.64	0.57
Benefits Paid	(4.99)	(9.05)	(7.31)	(6.42)
Acquisition/ Business Combination/ Divestiture	-	-	-	-
Assets extinguished on Curtailments/ Settlements	-	-	-	-
Fair Value of Plan Assets, End of Period	**172.73**	**155.71**	**134.62**	**99.24**

Reconciliation of Balance Sheet Amount	For the Period Ended 30.09.2025	For the year ended 24-25	For the year ended 23-24	For the year ended 22-23
Balance Sheet (Asset)/ Liability, Beginning of Period	19.16	15.63	25.08	29.29
True-up	-	-	-	-
Total Charge/ (Credit) recognised in Profit and Loss	12.64	20.42	20.95	18.38
Total Remeasurements recognised in OC (Income)/ Loss	2.47	2.72	4.44	2.61
Acquisitions/ Business Combinations/ Divestitures	-	-	-	-
Actual Company Contribution/ Benefit Payouts Directly by the Company	(16.99)	(19.62)	(34.85)	(25.20)
Other Events	-	-	-	-
Balance Sheet (Asset)/ Liability,End of Period	**17.29**	**19.16**	**15.63**	**25.08**

Financial Assumptions used to Determine the Defined Benefit Obligation	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Discount Rate	6.54%	6.45%	7.09%	7.26%
Salary Escalation Rate	6.00%	6.00%	6.00%	6.00%

Financial Assumptions used to Determine the Profit & Loss Charge	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Discount Rate	6.54%	6.45%	7.09%	7.26%
Salary Escalation Rate	6.00%	6.00%	6.00%	6.00%
Expected Return on Plan Assets	6.45%	6.45%	7.09%	7.26%

Demographic Assumptions used to Determine the Defined Benefit Obligation	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Withdrawl Rate	20.00%	20.00%	20.00%	20.00%
Mortality Rate	IALM (2012-14) Ult	IALM (2012-14) Ult	IALM (2012-14) Ult	IALM (2012-14) Ult
Retirement Age	58 Years	58 Years	58 Years	58 Years

Asset Category	As At September 30, 2025	As At 30.09.2025	As At 30.09.2025
	Quoted Value	Non-Quoted Value	Total
Government of India Securities (Central & State)	-	-	-
High Quality Corporate Bonds (including Public Sector Bonds)	-	-	-
Equity Shares of the Company	-	-	-
Insurer Managed Funds & T-bills	-	99.99%	99.99%
Cash (including Bank Balance, Special Deposit Scheme)	-	0.01%	0.01%
Others	-	-	-
Total		**100.00%**	**100.00%**

The scheme is funded through Kay Jay Forgings Pvt. Limited Group Gratutiy Trust. The trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The trust also maintains a savings account. Total fund size as on valuation date is Rs.172.73 millions.

(All amounts in INR millions, unless otherwise stated)

Expected Contribution for the Next Period	30.09.2025-31.03.2026	01.04.2025-31.03.2026	01.04.2024-31.03.2025	01.04.2023-31.03.2024
Expected Contribution	**28.85**	**38.27**	**31.99**	**39.14**

Expected Cash Flows for the Next 10 Years	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Year- 2026	54.63	61.63	54.05	40.91
Year- 2027	23.27	26.95	26.57	20.01
Year- 2028	18.65	25.13	14.25	19.46
Year- 2029	22.06	20.91	13.90	14.58
Year- 2030	15.37	17.78	10.16	13.66
Year- 2031-2035	63.71	45.24	30.61	36.10

Defined Benefit Obligation by participant Status	Amount	Amount	Amount	Amount
a. Actives	190.03	174.87	104.57	124.32
b. Vested Deferreds	-	-	-	-
c. Retirees	-	-	-	-
Total	**190.03**	**174.87**	**104.57**	**124.32**

Sensitivity Analysis	Amount	Amount	Amount	Amount
Defined Benefit Obligation- Discount Rate +100 Basis Points	(8.58)	(4.98)	(3.26)	(3.60)
Defined Benefit Obligation- Discount Rate -100 Basis Points	9.62	5.38	3.52	3.88
Defined Benefit Obligation- Salary Escalation +100 Basis Points	8.14	5.35	3.64	3.96
Defined Benefit Obligation- Salary Escalation -100 Basis Points	(7.68)	(5.21)	(3.49)	(3.84)
Defined Benefit Obligation- Attrition/Withdrawl +100 Basis Points	0.10	(0.23)	(0.19)	(0.03)
Defined Benefit Obligation- Attrition/Withdrawl -100 Basis Points	(0.18)	0.21	0.19	0.01

Methodology, Assumptions and Limitation in respect of Sensitivity Analysis

Sensitivity analysis is carried out by the PUCM method by changing only the respective assumption and keeping all other assumptions same as that used to estimate the liability. The impact given is the difference between the liability as on date of valuation and the liability if given assumption changes by the stated amount. The limitation of this method is that it considers the chnage in the respective assumption in isloation without affecting the other assumptions which in reality may not be the case. Nonetheless the methodlogy gives fair idea of the impact on the liability in case the given assumption changes.

(The space has been left blank intentionally)

(All amounts in INR millions, unless otherwise stated)

Note (38) Contingent liabilities and commitments (to the extent not provided for):

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Contingent liabilities				
a) Claims against the Company not acknowledged as debt				
(i) # GST Demand (Net of deposit paid)	0.08	0.08	Nil	Nil
(ii) # Income Tax Demand *	2.79	2.79	2.79	2.79
# The above matters are subject to legal proceedings in the ordinary course of business. On the basis of current status of the cases and as per legal advice obtained, wherever applicable, along with the opinion of Management, when ultimately concluded will not have material effect on the results of operations or financial operations of the Company. * According to us Income Tax Demands shown on the portal is incorrect. We have also replied against the outstanding demand raised by the department for the removal of the said demand.				
(b) Bank Guarantees	1.11	Nil	1.01	1.01
(c) Other money for which the Company is contingently liable				
1. Letters of Credit,	Nil	Nil	Nil	Nil
2. Bills Discounted	711.62	526.95	453.32	357.40
Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Tangible assets	Nil	Nil	Nil	Nil
Intangible assets	Nil	Nil	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil	Nil	Nil
(c) Other commitments (specify nature)	Nil	Nil	Nil	Nil

Note (39) Value of imports calculated on CIF basis:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Purchase of Raw Materials	0.46	0.37	-	7.05
Purchase of Tools & Dies	1.17	0.88	2.24	0.55
Purchase of Machinery Spare Parts	-	-	0.67	-

(All amounts in INR millions, unless otherwise stated)

Purchase of Machinery	20.14	9.52	6.37	-
Purchase of Cutting Tools	0.29	-	-	-
Repair to Machinery	0.28	0.90	-	-

Note (40) Expenditure in Foreign Currency:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Purchase of Raw Materials	0.45	0.36	-	6.47
Purchase of Tools & Dies	1.17	0.87	2.22	0.51
Purchase of Cutting Tools	0.28			
Purchase of Machinery	0.47	8.94	-	
Staff Recruitment & Training	4.80	10.50	5.28	4.84
Travelling Expenses	5.18	9.33	6.33	6.14
Foreign Agent Commission	-	-	-	0.29
Workspace Fees	0.39	0.31	-	-
Warehousing Charges	0.36	0.56	0.75	0.59
Job Work	-	0.04	1.43	2.37
Interest on Foreign Currency Loans-MTL	-	0.32	2.18	3.87
Repair to Machinery	0.27	0.89	0.67	-

Note (41) Details of consumption of imported and indigenous items:

Particulars	As at September 30, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	% age	Amount	% age	Amount	% age	Amount	% age	Amount
RAW MATERIAL								
Indigenous	99.98	2451.60	99.99	4027.84	100	3794.46	99.82	3503.77
Imported	0.02	0.45	0.01	0.36	Nil	Nil	0.18	6.47
TOTAL	**100**	**2452.05**	**100**	**4028.21**	**100**	**3794.46**	**100**	**3510.25**
STORES & SPARES								
Indigenous	99.54	318.51	99.82	503.82	100	423.19	100	340.27
Imported	0.46	1.45	0.18	0.87	Nil	Nil	Nil	Nil
TOTAL	**100**	**319.96**	**100**	**504.69**	**100**	**423.19**	**100**	**340.27**

Note (42) Earnings in Foreign Exchange:

Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Export of goods calculated on FOB basis	398.92	365.33	450.64	318.52

(All amounts in INR millions, unless otherwise stated)

Note (43) Related Party Disclosures:

Related Party Disclosure (as identified by the management) as required as per Indian Accounting Standard (Ind-AS 24) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, is as below:

43.1 Related parties and their relationships as per IND AS 24:

Name of Related Parties	Designation/Relationship
Gopal Krishan Kothari	Managing Director
Amit Kothari	Director
Naveen Behl	Whole-Time Director
Pankaj Periwal	Independent Director (w.e.f. 19.12.2024)
Mohina	Independent Director (w.e.f. 19.12.2024)
Jatender Kumar Mehta	Independent Director (w.e.f. 29.04.2025)
Ashok Bansal	Chief Financial Officer (w.e.f. 02.08.2025)
Amit Verma	Company Secretary (w.e.f. 11.11.2024)
Manohar Lal Dhiman	Director (Till December 2024)
Gobind Singh Kapoor	Director (Till March 2024)
Nand Lal Kothari	Brother of Mr. Gopal Krishan Kothari
Savitri Devi	Mother in Law of Mr. Gopal Krishan Kothari
Madhu Kothari	Wife of Mr. Gopal Krishan Kothari
Mannat Kothari	Wife of Mr. Amit Kothari
Tamanna Kothari	Daughter of Mr. Amit Kothari
Amanat Kothari	Daughter of Mr. Amit Kothari
Avneet Kaur	Wife of Mr. Gobind Singh Kapoor (Till March 2024)
G K Kothari & Sons	Enterprises over which control or significant influence
Amit Kothari-HUF	
Kothari Exports Inc.	
Micro Coaters	
Shaheed N Tundup Sewamedal Autocare	
Naveen Behl HUF	
Pure Infratech	
Shiva Shakti Industries	
Oswal Industrial Enterprise Private Limited	

(All amounts in INR millions, unless otherwise stated)

43.2 The company' related party transactions during the year and outstanding balance as on 30.09.2025 are as below:-

Disclosures in Respect of Related Party Transactions during the year:

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Remuneration including Bonus & Leave with Wages				
Gopal Krishan Kothari	6.76	13.52	13.50	20.30
Amit Kothari	4.06	6.76	8.10	17.50
Naveen Behl	6.58	12.46	11.41	10.43
Manohar Lal Dhiman	-	2.53	3.29	2.99
Mannat Kothari	2.04	4.07	4.05	4.05
Madhu Kothari	2.04	4.07	4.05	4.05
Ashok Bansal	0.85	-	-	-
Amit Verma	0.32	0.23	-	-
Gobind Singh Kapoor	-	-	5.82	5.37
Avneet Kaur	-	-	3.01	2.49
Total	**22.65**	**43.64**	**53.23**	**67.18**
Interest Paid				
Amit Kothari	0.11	0.36	0.44	2.11
Naveen Behl	-	-	-	1.01
Savitri Devi	0.02	0.04	0.04	0.04
Madhu Kothari	0.07	0.52	0.31	1.58
Mannat Kothari	0.21	0.09	0.22	0.60
Tamanna Kothari	0.02	-	-	-
G K Kothari & Sons	0.51	7.13	7.14	7.23
Amit Kothari HUF	0.38	0.70	0.63	0.58
Naveen Behl HUF	0.36	1.35	1.35	0.33
Total	**1.68**	**10.19**	**10.13**	**13.48**
Sale of Land				
Gopal Krishan Kothari	-	5.50	-	-
Interest Income				
Oswal Industrial Enterprise Private Limited	-	10.48	16.73	-
Freight Paid				
Kothari Exports Inc	44.96	93.92	94.16	11.49
Rent Received regarding Lease Receivable				
Kothari Exports Inc.	1.20	2.40	2.40	2.40
Pure Infratech	-	0.05	0.04	-

(All amounts in INR millions, unless otherwise stated)

Shiva Shakti Industries	-	0.05	0.04	-
Gopal Krishan Kothari	0.12	-	-	-
Total	**1.32**	**2.50**	**2.49**	**2.40**
Rent Paid				
Nand Lal Kothari	0.07	0.07	0.07	0.07
Tamanna Kothari	0.33	0.66	0.49	-
Total	**0.40**	**0.73**	**0.56**	**0.07**
Staff Recruitment & Training				
Tamanna Kothari	2.09	3.78	5.28	4.84
Amanat Kothari	2.71	6.71	-	-
Total	**4.80**	**10.49**	**5.28**	**4.84**
Unsecured Loan Accepted				
Gopal Krishan Kothari	118.40	98.40	109.30	108.90
Mannat Kothari	31.93	3.55	1.35	7.72
Madhu Kothari	7.03	4.55	2.15	28.33
Amit Kothari	30.40	56.45	53.10	58.79
G K Kothari & Sons	70.55	12.37	45.00	1.59
Amit Kothari HUF	5.85	1.00	0.51	0.42
Savitri Devi	-	-	-	15.00
Tamanna Kothari	3.30	-	-	-
Total	**267.46**	**176.32**	**211.41**	**220.75**
Unsecured Loan Granted				
Oswal Industrial Enterprise Private Limited	-	159.00	249.00	-
Loan Repayments				
Oswal Industrial Enterprise Private Limited	-	159.00	249.00	-
Gopal Krishan Kothari	116.05	11.12	98.66	97.60
Mannat Kothari	2.82	0.07	3.75	15.18
Madhu Kothari	6.87	0.11	25.56	29.69
Amit Kothari	59.95	53.65	52.60	57.54
G K Kothari & Sons	71.20	0.03	45.60	2.36
Naveen Behl	-	-	-	15.00
Naveen Behl HUF	15.00	-	-	-
Total	**271.89**	**223.98**	**475.17**	**217.37**
Job Work				
Micro Coaters	12.08	13.59	9.44	6.39
Power & Fuel, Truck exp. & Car exp.				
Shaheed N Tundup Sewamedal Care	20.15	26.56	25.05	14.85

(All amounts in INR millions, unless otherwise stated)

43.3 Balances with Related Parties at year end are as follows:

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Remuneration including Bonus & Leave with Wages				
Gopal Krishan Kothari	0.62	2.09	2.07	1.75
Amit Kothari	0.42	0.75	1.27	1.08
Naveen Behl	0.62	1.98	1.87	1.66
Mannat Kothari	0.23	0.74	0.65	0.66
Madhu Kothari	0.23	0.74	0.65	0.66
Ashok Bansal	0.43	-	-	-
Amit Verma	0.05	0.05	-	-
Manohar Lal Dhiman	-	0.25	0.47	0.42
Gobind Singh Kapoor	-	-	-	0.70
Avneet Kaur	-	-	2.07	1.75
Total	**2.60**	**6.60**	**9.05**	**8.68**
Provision for Gratuity (Long-Term)				
Gopal Krishan Kothari	2.00	2.00	2.00	2.00
Amit Kothari	1.40	1.58	1.54	1.53
Naveen Behl	2.00	2.00	2.00	2.00
Ashok Bansal	0.01	-	-	-
Mannat Kothari	1.38	1.58	1.54	1.53
Madhu Kothari	2.00	2.00	2.00	2.00
Manohar Lal Dhiman	-	2.00	1.88	1.78
Gobind Singh Kapoor	-	-	0.41	0.22
Avneet Kaur	-	-	0.25	0.13
Total	**8.79**	**11.16**	**11.62**	**11.19**
Other Advances				
Kay Jay Forgings Ltd Group Gratuity Trust	0.09	0.08	0.08	0.08
Kothari Exports Inc.	-	-	-	1.52
Freight Payable				
Kothari Exports Inc.	8.04	0.09	3.35	-
Rent Receivable				
Pure Infratech	0.00	0.06	0.04	-
Shiva Shakti Industries	0.06	0.06	0.04	-
Gopal Krishan Kothari	0.14	-	-	-
	0.20	**0.12**	**0.08**	**0.00**
Rent Payable				
Nand Lal Kothari	-	0.07	-	0.24

(All amounts in INR millions, unless otherwise stated)

Tamanna Kothari	0.30	-	-	-
Job Work Payable				
Micro Coaters	2.50	1.55	0.96	0.73
Power & Fuel, Truck exp. & Car exp. Payable				
Shaheed N Tundup Sewamedal Care	1.81	0.21	0.27	-0.10
Unsecured Loans				
Gopal Krishan Kothari	101.49	99.14	111.99	101.35
Amit Kothari	25.52	55.06	52.27	51.78
Savitri Devi	0.38	0.37	0.37	0.37
Madhu Kothari	6.55	6.40	3.04	26.46
Mannat Kothari	32.14	3.03	0.20	2.60
G K Kothari & Sons	70.61	71.26	59.25	59.85
Amit Kothari HUF	12.41	6.55	5.55	5.04
Naveen Behl HUF	-	15.00	15.00	15.00
Tamanna Kothari	3.30	-	-	-
Total	**252.40**	**256.81**	**247.67**	**262.45**

43.4 Terms & Conditions:

(a) The company's principal related parties consist of its key managerial personnel. The company's related party transactions & outstanding balances at year end are with related parties with whom the company routinely enters into transactions in the ordinary course of business.

(b) All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

(c) Details of loans given, investments made and guarantees given are complied with Section 186 (4) of the Companies Act, 2013. Purpose of loans & advances made by the company are general business purpose.

Note (44) Disclosure under the MSME Act, 2006 ("Micro Small and Medium Enterprises Development Act 2006"):-

S. No.	Particulars	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1.	Total payments due as at the end of each accounting year on account of Principal #	139.92	110.14	109.61	40.15
2.	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil	Nil	Nil

(All amounts in INR millions, unless otherwise stated)

3.	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil	Nil	Nil
4.	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year.	Nil	Nil	Nil	Nil
5.	The amount of interest due & payable for the year of delay in making payment which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil	Nil	Nil
6.	The amount of interest accrued & remaining unpaid at the end of each accounting year.	Nil	Nil	Nil	Nil
7.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act, 2006	Nil	Nil	Nil	Nil

Includes Creditors for Capital Goods.

Liquidity Exposure as at September 30, 2025

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	838.05	179.49	406.17	252.39	838.05
Lease Liabilities	3.92	0.45	2.34	1.13	3.92
Trade Payables	754.76	754.76	-	-	754.76
Other Financial Liabilities	283.22	283.22	-	-	283.22
Total Financial Liabilities	**1879.95**	**1217.92**	**408.51**	**253.52**	**1879.95**

Liquidity Exposure as at March 31, 2025

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	1018.83	600.88	361.57	256.83	1219.29
Lease Liabilities	4.56	1.25	3.30	1.48	6.04
Trade Payables	593.18	589.29	3.89	-	593.18
Other Financial Liabilities	249.34	249.34	-	-	249.34

(All amounts in INR millions, unless otherwise stated)

Total Financial Liabilities	**1865.92**	**1440.77**	**368.77**	**258.32**	**2067.86**

Liquidity Exposure as at March 31, 2024

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	1113.72	615.12	536.30	247.70	1399.13
Lease Liabilities	5.77	1.63	3.89	2.14	7.67
Trade Payables	601.31	596.54	4.76	-	601.31
Other Financial Liabilities	98.89	98.89	-	-	98.89
Total Financial Liabilities	**1819.72**	**1312.20**	**544.96**	**249.48**	**2107.01**

Liquidity Exposure as at March 31, 2023

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	1423.15	721.17	707.46	262.47	1691.11
Lease Liabilities	7.14	4.19	3.53	-	7.73
Trade Payables	423.43	420.97	2.45	-	423.43
Other Financial Liabilities	48.32	48.32	-	-	48.32
Total Financial Liabilities	**1902.05**	**1194.66**	**713.45**	**262.47**	**2170.60**

(All amounts in INR millions, unless otherwise stated)

Note (45) Segment Reporting As Per IND-AS 108

The Managing Director & Whole-Time Director are identified as the Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined only one reporting segment for the Company.

(a) Information about Geographical Areas as per Para 33

Revenue from External Customers	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Geography Wise				
Within India	4,234.38	5,291.96	4,663.34	4,221.69
Outside India	426.25	374.47	459.58	342.87

(b) Information about Non-current Assets:

The Company has non- current operating assets within India only. Hence, separate figures for domestic as well as overseas market are not required to be furnished.

(c) Information about Major Customers as per para 34

As per Ind-AS, sales to customer for 10% or more of the company's total revenue is considered major customer.

Particulars	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
No. of Customers	1	1	1	1
Amount	3,011.39	5,134.31	4,741.64	3,931.75

Note (46) Capital Risk Management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure.

TheCompany's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been,and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk. Majorly Company raise long term loan for it's CAPEX requirement and based on the working capital requirement utilise the working capital loans.

The company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than current investments.

The gearing ratio at the end of reporting year was as follows:

Particulars	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Non-Current Borrowings	658.57	551.66	709.77	824.77
Short-Term Borrowings	179.49	467.17	403.95	598.38
Lease Liabilities	3.92	4.56	5.77	7.14
Gross Debt	**841.97**	**1,023.39**	**1,119.50**	**1,430.30**
Less: Cash & Cash Equivalents	185.09	74.35	247.14	190.34
Net Debt (A)	**656.88**	**949.05**	**872.35**	**1,239.95**
Total Equity (B)	**1,842.20**	**1,628.71**	**1,341.72**	**1,104.44**
Gearing Ratio (A/B)	**35.66**	**58.27**	**65.02**	**112.27**

(i) Equity includes all capital and reserves of the company that are managed as capital.
(ii) Debt is defined as long and short-term borrowings (excluding derivatives and financial guarantee contracts).
(iii) Cash & Cash equivalent includes cash and other balances with banks

Note (47) Financial Risk Management

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The company has various financial assets such as trade receivables, short-term deposits and cash & cash equivalents, which arise directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risk and also ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured & managed in accordance with the Company's policies & risk objectives.

47.1 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 risk comprises of three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or commodity price risk.

Financial instruments affected by market risk includes loans & borrowings, debt and equity investments and derivative financial instruments.

(i) Foreign Currency Risk:

The company's foreign currency risk arises from its foreign currency revenues & expenses (primarily in US Dollars $). The company's functional currency is Indian Rupees (₹). The company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The company is exposed to exchange rate risk under its trade portfolio.

Adverse movements in the exchange rate between the rupee and any relevant foreign currency result's in increase in the company's overall debt position in rupee terms without the company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the company's receivables in foreign currency.

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Foreign currency exposures arises from the following:

(i) Transactions with foreign customers
(ii) Foreign currency external commercial borrowing
(iii) Forward contracts used for hedging currency risk.
(iv) Financial instrument where no hedging has taken place.

Foreign Exchange Risk Management Policy:

• The company has a structured foreign exchange risk management policy that
• Regular monitoring of foreign currency exposure.
• Use of derivative instruments such as forward contracts to hedge currency risk.
• Periodic review by the management and the board of directors on the risk exposure and mitigation strategies.
• Natural hedging through offsetting foreign currency inflows and outflows wherever possible.

Hedged Foreign Currency Exposure

The foreign currency profile as on 30.09.2025 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount (Rs.in Million)
Foreign Currency Receivable			
Trade Receivables	0.38	USD	33.99
Trade Receivables	1.69	EURO	176.37
Loans & Advances	24.39	YEN	14.65
Total	**26.46**		**225.01**
Foreign Currency Payable			
Warehousing Charges	0.00	EURO	(0.06)
Trade Payables	(0.01)	EURO	(1.24)
Total	**(0.01)**		**(1.30)**
Derivative Financial Instrument			
Forward Contracts Outstanding	-	USD	-
Total	**-**		**-**
Net Unhedged Foreign Currency Exposure	0.38	USD	33.99
	1.68	EURO	175.06
	24.39	YEN	14.65
Total			**223.70**

The exchange rate as at 30.09.2025 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD	**88.74**	**88.74**
YEN	**0.60**	**0.60**
EURO	**104.26**	**104.26**

(A) The foreign currency profile as on March 31, 2025 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount (Rs.in Million)
Foreign Currency Receivable			
Trade Receivables	0.27	USD	23.47
Trade Receivables	0.88	EURO	80.80
Loans & Advances	0.01	EURO	0.55
Total	**1.15**		**104.83**
Foreign Currency Payable			
Warehousing Charges	(0.00)	EURO	(0.13)
Workspace Fees	(0.00)	USD	(0.32)
Total	**(0.00)**		**(0.44)**
Derivative Financial Instrument			
Forward Contracts Outstanding	(0.40)	USD	(34.18)
Total	**(0.40)**		**(34.18)**
Net Unhedged Foreign Currency Exposure	(0.13)	USD	(11.03)
	0.88	EURO	81.23
Total			**70.20**

The exchange rate as at March 31, 2025 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD per INR	**85.45**	**85.45**
EURO per INR	**92.10**	**92.10**

(A) The foreign currency profile as on March 31, 2024 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount (Rs.in Million)
Foreign Currency Receivable			
Trade Receivables	0.30	USD	24.84
Trade Receivables	0.79	EURO	70.69
Loans & Advances	0.66	YEN	0.37
Total	**1.08**		**95.90**
Foreign Currency Payable			
Warehousing Charges	(0.01)	EURO	(0.53)
Interest on External Commercial Borrowings	(0.00)	USD	(0.28)
Total	**(0.01)**		**(0.80)**
Derivative Financial Instrument			
Forward Contracts Outstanding	(0.90)	USD	(75.06)
Forward Contracts Outstanding	(0.50)	EURO	(44.94)
Total	**(1.40)**		**(120.00)**
Net Unhedged Foreign Currency Exposure	(0.61)	USD	(50.50)
	0.66	YEN	0.37
	0.28	EURO	25.23
Total			**(24.91)**

The exchange rate as at March 31, 2024 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD per INR	**83.40**	**83.40**
EURO per INR	**89.87**	**89.87**
YEN per INR	**0.55**	**0.55**

Hedged Foreign Currency Exposure
(A) The foreign currency profile as on March 31, 2023 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount (Rs.in Million)
Foreign Currency Receivable			
Trade Receivables	0.45	USD	36.68
Trade Receivables	0.71	EURO	63.82
Total	**1.16**		**100.50**
Foreign Currency Payable			
Commission Charges	(0.00)	EURO	(0.14)
Warehousing Charges	(0.00)	EURO	(0.19)
Interest on External Commercial Borrowings	(0.01)	USD	(0.63)
Total	**(0.01)**		**(0.96)**
Derivative Financial Instrument			
Forward Contracts Outstanding	(1.40)	USD	(115.04)
Forward Contracts Outstanding	(0.80)	EURO	(71.55)
Total	**(2.20)**		**(186.59)**
Net Unhedged Foreign Currency Exposure	**(0.96)**	USD	(78.98)
	(0.09)	EURO	(8.07)
Total			**(87.05)**

(All amounts in INR millions, unless otherwise stated)

The exchange rate as at March 31, 2023 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD per INR	**82.17**	**82.17**
EURO per INR	**89.44**	**89.44**

The company has derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rate in foreign currency exposure. The counterparty for these contracts is generally a bank.

The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

Currency Risk Sensitivity Analysis

The following table details the company's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies is the sensitivity rate used when reporting risk of reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the company at the end of the reporting period.

As At September 30, 2025

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	1.70	(1.70)
YEN	0.73	(0.73)
EURO	8.75	(8.75)

As At March 31, 2025

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(0.55)	0.55
EURO	4.06	(4.06)

As At March 31, 2024

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(2.53)	2.53
EURO	(1.26)	1.26
YEN	(0.02)	0.02

As At March 31, 2023

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(1.80)	1.80
EURO	(3.17)	3.17

(ii) Price Risk

Price risk is the risk of fluctuations in the fair value of financial instruments due to changes in market prices, excluding risks arising from interest rate or currency movements. The Company is primarily exposed to price risk from investments in equity instruments that are measured at fair value.

Exposure to Price Risk

The Company's exposure to price risk arises from:

Investments classified as **Fair Value Through Other Comprehensive Income (FVTOCI)** or **Fair Value Through Profit or Loss (FVTPL)**.

Market-driven fluctuations in the value of **traded securities, raw materials, or other financial assets**.

Mutual Fund Investments

The company is exposed to price risk from its investments in mutual funds, which are classified as Fair Value Through Profit or Loss (FVTPL). The fair value of these investments fluctuates based on changes in market conditions, interest rates, and underlying asset performance.

As on September 30, 2025, details of mutual fund investments are as follows:

Particulars	Classification	Units	NAV	Fair Value
Mutual Fund Units	**FVTPL**	**50,000**	**51.81**	**2.59**

Risk Management Strategy:

To manage price risk on mutual fund investments, the Company:

Invests in diversified funds to minimize exposure to individual asset volatility.
Monitors market trends and performance of the investment portfolio.
Maintains a balanced mix of liquid and growth-oriented funds based on financial objectives.

Price Risk Sensitivity Analysis

A reasoanbly possible change of 1% in NAV (increase or decrease) due to market volatility will all other variables held constant, the impact on profit before tax has been shown by the amounts below:

(All amounts in INR millions, unless otherwise stated)

As At 30.09.2025

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.03	(0.03)

As At March 31, 2025

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.02	(0.02)

As At March 31, 2024

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.02	(0.02)

As At March 31, 2023

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.01	(0.01)

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because funds are borrowed at oth fixed and floating interest rates. The interest rate risk is measured by using cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides the break-up of the Company's fixed and floating rate borrowings.

Particulars	As At September 30, 2025	As At March 31, 2025	As At March 31, 2024	As At March 31, 2023
Fixed Rate Borrowings	**585.66**	**467.00**	**673.24**	**640.60**
Floating Rate Borrowings	**252.39**	**551.83**	**440.48**	**443.67**
Total Borrowings	**838.05**	**1,018.83**	**1,113.72**	**1,084.27**

Interest Rate Sensitivity Analysis

A reasonably possible change of 100 basis points in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. The analysis has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of liability outstanding on the year end and was outstanding for the whole year. A positive number below indicates an increase in profit before tax where the interest rate decrease by 100 basis points and vice versa.

As At 30.09.2025

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(2.52)	2.52

As At March 31, 2025

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(5.52)	5.52

As At March 31, 2024

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(4.40)	4.40

As At March 31, 2023

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(4.44)	4.44

47.2 Credit Risk

Credit Risk arises from the possibility that the value of receivables or other financial assets of the company may be impaired because counter-parties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwardinglooking information such as:

(i) Actual or expected significant adverse changesin business;
(ii) Actual or expected significant changes in the operating results of the counterparty.
(iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations.
(iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information. Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

Based on the historical data no provision has been considered.necessary since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time. The company maintains exposure in cash & cash equivalents, deposits with banks, investments and other financial assets. The maximum exposure to the credit risk at the reporting date is the carrying value of each class of financial assets. The company beleives the current value of trade receivables reflects the fair value/recoverable values.

47.3 Liquidity Risk

Liquidity risk is the risk that company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the company's reputation. Management manages the liquidity risk by monitoring cash flow forecasts on a yearly basis and maturity profiles of financial assets and financial liabilities. This monitoring takes into account the accessibility of cash & cash equivalents and additional undrawn financing facilities.

The company will continue to consider various borrwing options to maximise liquidity and supplements cash requirements as necessary. The company's objective is to maintain a balance between continuity of funding & flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities.

(i) Maturities of Financial Liabilities

The following table details the company's remaining contractual maturity for its financial liabilities with agreed repayment and its financial assets. The table has been drawn up based on the undiscounted cash flows of financial liabilities on the earliest date on which the company can be required to pay.

The table includes both interest and principal cash flows.
To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of reporting year. The contractual maturity is based on the earliest date on which the company may be required to pay.

Note (48) Practical Constraints in EIR Computation:

Certain borrowings have variable interest rates and irregular cash flows, making precise EIR computation impractical.
Additionally, due to volume & nature of loans, the impact of using contractual interest rates instead of EIR is assessed as immaterial.
Management has reviewed the difference between contractual and effective interest rate and determined that it does not materially affect finance costs or loan balances. Transaction costs are not material to be included in EIR calculation.
Further, interest free security deposits have been carried at carrying value as the difference between fair values is assessed as immaterial.
Interest income & interest expenses accounted in the statement of profit & loss except interest income & expenses from/on leases is shown at contractual rate instead of effective interest rate (EIR).

Conclusion & Impact on Financials:

Borrowings where use of EIR computation was immaterial or not feasible have been measured at amortized cost using contractual interest rates, ensuring fair presentation.
Immaterial interest free security deposits are measured at carrying value.
Interest expense & income is measured at contractual rate.

This approach has been adopted to maintain compliance with Ind-AS 109 while ensuring practicality in financial reporting.
Financial liabilities recognized at FVTPL, including derivatives are subsequently measured at fair value.

Note (49) Other Statutory Information:

i). The immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

ii). The Company has not revalued its Property, Plant and Equipment.

iii). The Company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person. That are (a) repayable on demand or (b) without specifying any terms or period of repayment.

iv). No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

v). The Company has been sanctioned working capital limits from Banks on the basis of security of current Assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

(All amounts in INR millions, unless otherwise stated)

vi). The company is not declared wilful defaulter by any bank or financial Institution or other lender.

vii). The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act 1956.

viii). No charges are pending for registration or satisfaction with Registrar of Companies beyond the statutory period.

ix). The Company has no number of Layers of companies.

x). Analysis of financial Ratios along with explanations where change in ratios by more than 25% as compared to preceding year**:**

Ratio (With Numerator/Denominator)	**March 31, 2025**	**March 31, 2024**	**Change in ratio more than 25 (%)**	**Comments if Change in ratio more than 25 (%)**
(a) Current Ratio (Total Current Asset/Total Current Liability)	1.09	1.21	-9.65%	
(b) Debt Equity Ratio (Total Debt/Equity)	0.63	0.83	-24.64%	
(c) Debt Service Coverage Ratio (Earning for Debt Service/Debt Service)	2.97	2.24	32.49%	Due to Increase in Equity
(d) Return on Equity(Net Profit after tax-Preference dividend/ Average Shareholders Equity)	19.54%	19.73%	-0.96%	
(e)Inventory Turnover Ratio (Turnover/Avg. Inventory)	7.74	8.17	-5.22%	
(f) Trade Receivable Turnover Ratio (Turnover/Avg. Debtors)	14.94	14.90	0.26%	
(g) Trade Payables Turnover Ratio (Purchase/Avg. Trade Payable)	6.81	7.36	-7.47%	
(h) Net Capital Turnover Ratio (Turnover/Avg. working capital)	34.06	27.83	22.37%	
(i) Net Profit Ratio (Profit for the year(PAT)/Revenue from Operation)	3.87%	3.53%	7.74%	
(j) Return on Capital Employed (Earning before tax and finance cost/Capital Employed)	21.22%	19.15%	10.80%	
(k) Return on Investment (Net Return On Investments/Cost of Investment)	359.70%	351.90%	2.22%	

(All amounts in INR millions, unless otherwise stated)

Ratio (With Numerator/Denominator)	**March 31, 2024**	**March 31, 2023**	**Change in ratio more than 25 (%)**	**Comments if Change in ratio more than 25 (%)**
(a) Current Ratio (Total Current Asset/Total Current Liability)	1.21	1.15	5.27%	
(b) Debt Equity Ratio (Total Debt/Equity)	0.83	1.29	-35.58%	Due to decrease in debt & Increase in Equity
(c) Debt Service Coverage Ratio (Earning for Debt Service/Debt Service)	2.24	1.72	30.50%	Due to Increase in Equity
(d) Return on Equity(Net Profit after tax-Preference dividend/ Average Shareholders Equity)	19.73%	13.20%	46.92%	Due to Increase in Net Profit
(e)Inventory Turnover Ratio (Turnover/Avg. Inventory)	8.17	8.42	-2.99%	
(f) Trade Receivable Turnover Ratio (Turnover/Avg. Debtors)	14.90	12.70	17.32%	
(g) Trade Payables Turnover Ratio (Purchase/Avg. Trade Payable)	7.36	7.67	-3.98%	
(h) Net Capital Turnover Ratio (Turnover/Avg. working capital)	27.83	21.73	28.07%	Due to decrease in Working Capital & Increase in sales
(i) Net Profit Ratio (Profit for the year(PAT)/Revenue from Operation)	3.53%	2.26%	56.42%	Due to Increase in Net Profit
(j) Return on Capital Employed (Earning before tax and finance cost/Capital Employed)	19.15%	14.23%	34.59%	Due to Increase in Net Profit
(k) Return on Investment (Net Return On Investments/Cost of Investment)	351.90%	177.60%	98.14%	Due to favorable market conditions.

xi). The Company has no scheme of agreements during which falls under sections 230 to 237 of the Companies Act 2013.

xii). Utilisation of Borrowed funds and share premium:

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(All amounts in INR millions, unless otherwise stated)

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note (50) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

Note (51) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software at the application. Further no instance of audit trail feature being tampered with was noted in respect of accounting software, wherever audit log was enabled.

Note (52) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note (53) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For **Goyal Sanjay & Associates**
Chartered Accountants
Firm Registration No: 010083N

For and on behalf of Board of Directors of
KAY JAY FORGINGS LIMITED

Davinder Goyal	**Gopal Krishan Kothari**	**Naveen Behl**
Partner	Chairman and Managing Director	Whole-time Director
Membership No: 091278	DIN: 00026734	DIN: 01322486

Place: Ludhiana	**Ashok Bansal**	**Amit Verma**
Date:	Chief Financial Officer	Company Secretary & Compliance Officer
	Membership No: 502605	Membership No: A75038

OTHER FINANCIAL INFORMATION

The restated standalone audited statements of our Company for the six month period ended September 30, 2025 and the Fiscals ended March 31, 2025, March 31, 2024, and March 31, 2023, together with all the annexures, schedules and notes thereto (the "**Restated Financial Information**") are available at www.kayjayforgings.com Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Restated Financial Information does 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 Restated Financial Information and the reports thereon should not be considered as part of information that any investor should consider in order to subscribe for or purchase 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. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain.

None of the Group or any of its advisors, nor any of the BRLM 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 Restated Financial Information, or the opinions expressed therein.

The details of accounting ratios derived from our Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

(₹ in million, except share data)

Particulars	As at and for the six month period ended September 30, 2025*	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
Restated Basic profit per equity share of 5 ₹ each	4.65	6.31	5.25	3.00
Restated Diluted Basic profit per equity share of 5 ₹ each	4.65	6.31	5.25	3.00
Return on net worth (%)	11.59	17.81	17.98	12.51
Net asset value per equity share (in ₹)	40.07	35.43	29.18	24.02
EBITDA (₹ in million)	445.61	714.97	647.10	500.85

* *Not annualized.*

Notes: The ratios have been computed as under:

(1) *Restated Basic profit per equity share of ₹5 each is calculated by dividing the Restated profit/loss by the weighted average number of equity shares computed in accordance with IND AS 33 Earning per share.*

(2) *Restated Diluted Basic profit per equity share of ₹5 each is calculated by dividing the Restated profit/loss by the weighted average number of equity shares computed in accordance with IND AS 33 Earning per share.*

(3) *Net Worth means the aggregate value of the paid -up share capital and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account after deducting the aggregate value of the accumulating losses, deferred expenditure and miscellaneous expenditure not written off but does not include reserve created out of revaluation of assets, write back of depreciation and amalgamation in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.*

(4) *Return on net worth (%) is calculated as Restated profit/loss divided by net worth at the end of the period/year.*

(5) *Net asset value per equity share (in ₹) is defined as net worth divided by outstanding number of equity shares.*

(6) *Pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meetings held on August 16, 2025 and August 18, 2025, the face value of the equity shares of the Company was sub-divided from ₹10 each to ₹5 each and 15 bonus shares were issued for every share held; the disclosure of basic and diluted earnings per share, Net Asset Value per equity share for all the period/years presented has been arrived at after giving effect to the sub-division in accordance with the principles of IND AS 33 Earnings per share.*

(7) *EBITDA is calculated as aggregate of restated profit/(loss) before other income, finance costs, depreciation and amortization expense and total tax expense/(credit).*

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 Fiscals 2025, 2024, and 2023, see "***Restated Financial Information – Related Party Disclosures - Note 43***" on page 304.

Reconciliation of Non-GAAP Measures

Reconciliation for the following Non-GAAP Measures included in this Draft Red Herring Prospectus, are as set out below:

Reconciliation of Gross Margin for the year and Gross Margin (%)

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2025	For the fiscal year ended March 31,		
		2025	2024	2023
Revenue from operations (I)	4,660.63	7,504.64	6,723.16	6,026.92
Cost of raw materials consumed (II)	2,452.05	4,028.21	3,794.47	3,510.25
Changes in inventories of finished products and work in progress (III)	72.66	(63.89)	(146.55)	(32.49)
Gross Profit (IV) = (I – (II+III))	2,135.92	3,540.32	3,075.24	2,549.16
Gross Margin (%) (V = IV/I)	45.83%	47.18%	45.74%	42.30%

Reconciliation of EBITDA and EBITDA Margin (%) for the period/year

(₹ in million, unless otherwise stated)

Particulars	As at/ for the six month period ended September 30, 2025	As at/ for the fiscal year ended March 31,		
		2025	2024	2023
Profit for the period/ year (I)	213.57	290.15	241.26	138.13
Finance costs (II)	59.29	121.41	132.64	120.88
Depreciation and amortisation expense (III)	115.88	229.96	242.72	213.43
Total tax expense (IV)	66.80	90.92	63.07	50.03
Other Income (V)	9.90	17.47	32.59	21.62
EBITDA (VI = I+II+III+IV -V)	445.61	714.97	647.10	500.85
Revenue from Operation (VII)	4,660.63	7,504.64	6,723.16	6,026.92
EBITDA Margin (%) (VIII) = (VI/VII)	9.56%	9.53%	9.62%	8.31%

Reconciliation of Net profit margin (%) for the period/year

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2025	For the fiscal year ended March 31,		
		2025	2024	2023
Profit for the period/ year (I)	213.57	290.15	241.26	138.13
Revenue from Operation (II)	4,660.63	7,504.64	6,723.16	6,026.92
Net Profit Margin (%) (III= II/I)	4.58%	3.87%	3.59%	2.29%

Reconciliation on Return on Equity (%)

(₹ in million, unless otherwise stated)

Particulars	As at/ for the six month period ended September 30, 2025	As at/ for the fiscal year ended March 31,		
		2025	2024	2023
Total equity (I)	1,842.20	1,628.71	1,341.72	1,104.44
Profit for the period/ year (II)	213.57	290.15	241.26	138.13
Return on Equity (%) (III) = (II/I)	11.59%*	17.81%	17.98%	12.51%

(*) Non-Annualised

Return on Capital Employed

(₹ in million, unless otherwise stated)

Particulars	As at/ for the six month period ended September 30, 2025	As at/ for the fiscal year ended March 31,		
		2025	2024	2023
Total equity (I)	1,842.20	1,628.71	1,341.72	1,104.44
Non-current borrowings (II)	658.57	551.66	709.77	824.77
Current borrowings (III)	179.49	467.17	403.95	598.38
Total Capital employed (IV) = I+II+III	2,680.26	2,647.54	2,455.44	2,527.59
Profit for the period/ year (V)	213.57	290.15	241.26	138.13
Total tax expense (VI)	66.80	90.92	63.07	50.03
Finance costs (VII)	59.29	121.41	132.64	120.88
Earnings before interest and tax (EBIT) (VIII = V+ VI + VII)	339.66	502.48	436.97	309.04
Return on Capital Employed (%) (IX = VIII/ V)	12.67%	18.98%	17.80%	12.23%

* *Non-Annualised*

Reconciliation of Debt to Equity

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2025	For the fiscal year ended March 31,		
		2025	2024	2023
Non-current borrowings (I)	658.57	551.66	709.77	824.77
Current borrowings (II)	179.49	467.17	403.95	598.38
Debt (III) = (I + II)	838.06	1,018.83	1,113.72	1,423.15
Total Equity (IV)	1,842.20	1,628.71	1,341.72	1,104.44
Debt to Total Equity (III/IV)	0.45	0.63	0.83	1.29

(*) Non-Annualised

Reconciliation of Cash Conversion Days

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2025	For the fiscal year ended March 31,		
		2025	2024	2023
Number of days in Period (I)	183	365	365	365
Total Trade Receivables at the beginning of the Period (A)	547.11	457.74	444.87	504.43
Total Trade Receivables at the Closing of the Period (B)	750.10	547.11	457.74	444.87
Average trade receivables (II)= (Average of A and B)	648.61	502.43	451.31	474.65
Revenue from Operations (III)	4,660.63	7,504.64	6,723.16	6,026.92
Receivables Days Outstanding (IV=I*II/III)	25	24	24	29
Total Inventories at the beginning of the Period (C)	1,040.88	897.80	748.01	683.27
Total Inventories at the closing of the Period (D)	974.29	1,040.88	897.80	748.01
Average Inventories (V)= (Average of C& D)	1,007.59	969.34	822.91	715.64
Cost of raw materials consumed (VI)	2,452.05	4,028.21	3,794.47	3,510.25
Changes in inventories of finished products and work in progress (VII)	72.66	(63.89)	(146.55)	(32.49)
Total Raw Material Consumed (VIII)	2,524.71	3,964.32	3,647.92	3,477.76
Inventory Days Outstanding (IX=(I*V/(VIII)	73	89	82	75
Total Payable Days Outstanding at the beginning of the Period (E)	593.19	601.31	423.43	495.44
Total Payable Days Outstanding at the closing of the Period (F)	754.76	593.19	601.31	423.43
Average Trade Payables (X)= (Average of E & F)	673.98	597.25	512.37	459.43
Payable Days Outstanding (XI=I*X/VIII)	49	55	51	48
Cash Conversion Days Cycle=(IV+IX-XI)	50	59	56	56

Reconciliation of Net Fixed Asset Turnover

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2025	For the fiscal year ended March 31,		
		2025	2024	2023
Net Fixed Assets at the beginning of the Period (A)	1,856.17	1,550.81	1,303.55	1,164.93
Net Fixed Assets at the Closing of the Period (B)	1,734.11	1,856.17	1,550.81	1,303.55
Average Net Fixed Asset (I)= (Average of A and B)	1,795.14	1,703.49	1,427.18	1,234.24
Revenue from operations (II)	4,660.63	7,504.64	6,723.16	6,026.92
Average Net Fixed Asset Turnover (III)=(II/I)	2.60*	4.41	4.71	4.88

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2025, derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Restated Financial Information***" on pages 20, 328 and 246, respectively.

(₹ in million)

	Pre-Offer as at September 30, 2025	**As adjusted for the Offer#**
Total equity		
Equity share capital*	229.88	[●]
Other equity*	1,612.32	[●]
Total Equity (A)	**1,842.20**	[●]
Total borrowings		
Current borrowings*	-	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings)*	838.06	[●]
Total Borrowings (B)	**838.06**	[●]
Total (A+B)	**2,680.26**	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings)//Total Equity ratio	0.45	[●]
Total borrowings/ Total equity ratio (in times)	0.45	[●]

* *These terms shall carry the meaning as per Schedule III of the Companies Act 2013 (as amended).*

\# *To be populated upon finalization of the Offer Price.*

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of its business for, *inter alia,* meeting its capital expenditure requirements, working capital requirements and for general corporate purposes. We have obtained the necessary consents required under the relevant financing documentation for undertaking the activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, amendments in our constitutional documents and change in the composition of our Board. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association. For details of the borrowing powers of our Board, see "***Our Management – Borrowing powers of our Board***" on page 230.

As of March 15, 2026, our outstanding borrowings of our Company aggregated to ₹1,137.76 million. The details of the indebtedness of our Company as at March 15, 2026, is provided below:

(₹ in million)

Category of Borrowing	Sanctioned Amount (to the extent applicable)	Amount outstanding as on March 15, 2026
Secured Loans		
Fund based facilities		
Term loans	822.69	474.27
Vehicle Loans	46.27	33.41
Working Capital/ Cash Credit	1,025.00	430.84
Total secured fund based (A)	**1,893.96**	**938.52**
Non-fund based facilities		
Bank Guarantee	10.00	1.12
Total secured non fund based (B)	10.00	1.12
Total secured (C) = (A) + (B)	**1,903.96**	**939.64**
Unsecured Loans		
Fund based	**-**	**198.12**
Non- fund based	**-**	-
Total unsecured loans (D)	**-**	**198.12**
Total borrowings (E = C+D)	**1,903.96**	**1,137.76**

Note:

* *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, pursuant to certificate dated March 30, 2026.*

Principal terms of the borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by our Company with its lenders, in relation to our indebtedness that may require the consent of the relevant lenders, the breach of which may account to an event of default under various facility documents entered into by our Company, and the same may lead to consequences other than those stated below.

1. **Interest:** The applicable interest rates for the various credit facilities availed by us in India are generally linked to the Repo rate over a specified period, along with an additional spread per annum. These rates are subject to mutual agreement between our Company and the respective lenders. The interest rates across our facilities can go up to 10.00% per annum. In most cases, a spread is applied over the benchmark rates, which may be as high as 9.25% per annum.

2. **Tenor:** The tenor of certain working capital facilities availed by us extends up to 12 months, while the term loan facility generally carries a tenor of up to 84 months. In comparison, the commercial vehicle loan typically has a tenor of up to 39 months.

3. **Penal Interest:** The terms of certain financing facilities availed by us include penalties for non-compliance with specified obligations. These may include, among others, breaches of financial covenants, non-payment of interest or principal, failure to submit stock/book debt statements or QIS reports within the stipulated timeframe, violation of any stipulated terms and conditions, delay in creation of security, late payment charges, additional interest for non-compliance with sanction conditions, EMI bounce charges, and failure to submit insurance for property, plant, or stock. The borrowing terms typically stipulate a penal interest rate of up to 2.00% per annum over and above the applicable interest rate, along with monetary penalties in certain cases, depending on the nature of the default or as mutually agreed between our Company and the respective lenders.

4. **Pre-Payment Penalty:** Certain financing facilities availed by us include provisions for penalties in the event of non-compliance with specified obligations. These obligations include, but are not limited to, breaches of financial covenants, non-payment of interest or principal, delayed submission of stock or book debt statements and QIS reports, violation of stipulated terms and conditions, failure to create security within the prescribed timelines, late payments,

non-compliance with sanction conditions attracting additional interest, EMI bounce charges, and failure to provide insurance for property, plant, or stock. The terms of these borrowings generally provide for a penal interest of up to 2.00% per annum over the applicable interest rate, along with monetary penalties in certain cases, depending on the nature of the default or as mutually agreed between our Company and the respective lenders

5. **Security:** Our borrowings are generally secured through, among other things, the mortgage of immovable properties and hypothecation of movable assets, including a charge over the entire current assets including stock and receivables of our Company, both present and future. Further, certain borrowings are also secured by way of personal guarantees provided by our Promoters. There may be additional requirements for creation of security under various borrowing arrangements entered into by our Company.

6. **Repayment:** The working capital and term loan facilities availed by us are repayable either on demand, upon their respective due dates, or in accordance with the terms mutually agreed upon between our Company and the respective lenders.

7. **Key Covenants:** The financing arrangements entered into by us entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lenders before carrying out such activities. For instance, certain corporate actions for which we require the prior written consent of the lenders include:

- effecting any changes/alteration in the shareholding structure of the Company;
- effecting any modification in the legal or organisational constitution of the Company, as applicable;
- effecting any changes/alteration in the management control of the Company;
- any appointment, resignation or removal key managerial personnel of the Company;
- make any material or drastic changes to the composition or structure of its management;
- enter into or undertake any winding up, amalgamation, demerger, merger, consolidation, or any form of corporate restructuring or reorganisation that may affect its legal status, ownership structure, or operational control.
- make any amendments to the Company's Memorandum or Articles of Association without the prior written consent of the Bank.
- change, terminate, or open any bank account without prior written approval from the Bank.
- any event or circumstance likely to have a material adverse effect on its profits or business operations, the company shall promptly inform the bank;
- diversify into any business activities outside its current core business operations;
- any proposed business expansion involving joint ventures, strategic alliances, or any further dilution of equity, whether by way of issuance of new shares or transfer of existing shareholding shall be provided by company prior in writing.

8. **Events of Default:** The borrowing facilities availed by us contain certain standard events of default:

- change or termination of employment/profession/business for any reason whatsoever of the Company;
- change in constitution, management or existing ownership or control of the Company including by reason of liquidation, amalgamation, merger or reconstruction;
- Upon happening of any substantial change in the constitution or management of the Company without previous written consent of the Bank or upon the Management ceasing to enjoy the confidence of the Bank.

9. **Consequences of Event of Default:** Upon the occurrence of events of default, our lenders may:

- terminate the facility and/or declare all amounts outstanding in respect of the facility to be due and payable immediately irrespective of the maturity date;
- convert whole or part of the outstanding loan obligations into to equity (either fully or partially);
- enforce its security.

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 –34We have availed certain unsecured borrowings which are repayable on demand. If we are unable to repay the outstanding amount of such borrowings upon demand, it could trigger events of default and cross-defaults in our other financing arrangements, thereby materially and adversely affecting our business, results of operations, and financial condition.***" on page 45**Error! Bookmark not defined.**.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey the management's perspective on our financial condition and results of operations is derived from and should be read in conjunction with "**Restated Financial Information**" on page 246.*

*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. Prospective investors should read "**Forward Looking Statements**" beginning on page 18 for a discussion of the risks and uncertainties related to those statements along with "**Risk Factors**", "**Restated Financial Information**" and "– **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION**" on pages 20, 246 and 328, respectively. Our actual results may differ materially from those expressed in or implied by these forward looking statements.*

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for six month period ended September 30, 2025, and Fiscals 2025, 2024, and 2023, included herein is based on or derived from our Restated Financial Information included in this Draft Red Herring Prospectus. For details, please see "**Restated Financial Information**" beginning on page 246. The Restated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differ in certain material respects with IFRS and U.S. GAAP. For details, see "**Risk Factors - Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.**" on page 57.*

*Unless the context otherwise requires, industry and market data used in this section has been derived from the report titled "Industry Research Report for Precision Forged and Machined Components in the Automotive Industry" dated March 25, 2026 (the "**CARE Report**") which was exclusively commissioned and paid for by our Company for the Offer, and was prepared and released by Care Analytics and Advisory Private Limited ("**CARE**"), who were appointed by us pursuant to the engagement letter dated May 12, 2025. Care Edge is not, and has not in the past, been engaged or interested in the formation, or promotion, or management, of our Company. Further, it is an independent agency and neither our Company, nor our Directors, Promoters, Key Managerial Personnel and Senior Management, nor the BRLM is a related party to CARE as per the definition of "related party" under the Companies Act, 2013. The data included herein includes excerpts from the CARE Report which may have been re-ordered by us for the purposes of presentation. Further, the CARE Report was prepared on the basis of information as of specific dates and opinions in the CARE Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CARE has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. Prospective investors are advised not to unduly rely on the CARE Report. The CARE Report has been made available on the website of our Company at {●} upon filing of the Draft Red Herring Prospectus. For more information and risks in relation to commissioned reports, please see "**Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information sourced from the CARE Report, which was commissioned and paid for by us solely for the purposes of the Offer. Any reliance by prospective investors on such information for making an investment decision involves inherent risks**" on page 53. For details relating to the defined terms in the section, please see "**Definitions and Abbreviations**" on page 1.*

OVERVIEW

For information in relation to our business, see "***Our Business***" on page 186.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The results of our operations and our financial condition are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in "***Our Business***" and "***Risk Factors***", on pages 186 and 20. Set forth below is a discussion of certain factors that we believe may be expected to have a significant effect on our financial condition and results of operations:

Market and Economic Conditions

Macro-economic conditions and factors affecting the industries in which our customers operate. We derive a significant portion of our revenue from sales of precision engineered components for the automotive sectors, primarily supplying to OEMs in India. The level of demand for precision forged and machined components depends primarily on conditions in the automotive and non-automotive sectors in our target markets, which, in turn, depend to a large extent on general economic conditions in these markets. Macro-economic indicators, such as GDP growth, increases in infrastructure investment and focus on renewable energy tend to correlate with increased activities in industries which require our products. We believe that this in turn contributes to an increased demand for our products, while weaker macro-economic indicators tend to correlate with less activities in the above industries and therefore, lower demand for our products. We expect that these macro-economic factors and conditions in the above industries will continue to be the important factor affecting our revenues and results of operations. See "*Industry Overview*" on page 129 of this Draft Red Herring Prospectus for a discussion on macro-economic conditions in the industry in which we operate. General economic factors can affect demand in the automotive and the non-automotive sectors that we supply to, and therefore can affect demand for our products, including, among others:

- Ongoing geopolitical tensions including conflicts in the Middle East, evolving trade protectionism, and supply chain realignments are creating a mixed impact on India's auto components sector
- volatility in energy prices and disruptions in critical inputs (such as rare earths and electronic components) may exert pressure on production costs and margins, particularly for MSMEs;
- rising tariff barriers in key export markets like the US could weigh on external demand and competitiveness.
- strong domestic demand and policy support for localisation and EV ecosystem development;
- demographic conditions and population dynamics, such as the absolute size of a market and the growth rates of the population in that market; and

Stronger economic indicators tend to correlate with higher demand for automotive and non-automotive components, while weaker economic indicators tend to correlate with lower demand for such components. The cyclical nature of general economic conditions and, therefore, of the automotive and the non-automotive sectors means that our results of operations can fluctuate substantially from period to period. We expect that these economic factors and conditions in our industry, particularly changes in consumer confidence, employment levels, fuel prices, consumer spending on two-wheelers and passenger vehicles, urbanisation, changes in consumer preferences, government policies and interest rates, will continue to be the most important factors affecting our results of operations.

Cost and availability of raw materials

Cost of raw materials, which consist of (i) cost of material consumed, (ii) Purchase of Stock-in-trade and (iii) changes in inventory of finished goods, stock-in-trade and work-in-progress constitute the most significant portion of our expenses. Our cost of goods sold for the six month period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 were ₹2,524.71 million, ₹ 3,964.33 million, ₹ 3,647.92 million and ₹ 3,477.76 million, respectively, representing 54.17%, 52.83%, 54.26% and 57.70% of our total revenues for the respective period. Cost of goods sold primarily consists of:

(i) the cost of raw materials that we consume in the manufacture of our products (our primary raw materials includes steel round bars and Cold rolled sheets) and (ii) the cost of the forged components and bough out parts, such as bearings, pivot steering tubes, steel balls, needles, crank pins, rubber, springs, sprockets, studd and fender.

We primarily purchase raw materials from third-party suppliers stipulated by our customers or those suggested by us and approved by our customers. The pricing and availability of steel primarily is subject to fluctuations and potential shortages arising from a range of external factors, including global and domestic supply demand imbalances, logistics and processing constraints, our relative negotiating strength with suppliers, inflationary pressures, changes in governmental policies and regulations, overall economic conditions, variations in production levels, market demand, as well as duties, taxes and trade restrictions. However, there have been in the past, and may be in the future, periods during which we cannot pass raw material price increases on to customers due to competitive pressure. To the extent we cannot pass on some or all of any increases in the price of raw materials to our customers, any such increases could adversely affect our results of operations. We procure raw materials from our suppliers on the basis of purchase orders and do not have long-term purchase agreements or firm volume commitments with them.

While in practice we pass on the variations in the cost of raw materials to our customers, our cash flows may still be affected due to any gap in time between the date of procurement of those raw materials and the date on which we can reset the component prices for our customers so as to account for the variations in the prices of such raw materials.

Relationship with our marquee customers

Our ability to manage and sustain customer relationships is critical to our business. We depend on our major customers for a significant portion of our revenues. Our top five customers accounted for 85.60%, 83.37%, 83.11% and 83.91% of our revenue from operations (excluding revenue generated from sale of scrap) for the six month period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023, respectively. The loss of any key customers, including as a result of a dispute with or disqualification by them, may materially affect our business and results of operations.

The demand from our top customers has a very large influence on our revenue from sale of products and results of operations, and our sales are directly affected by the production and inventory levels of our customers. New investments or increased sales by our customers tend to increase our revenue from sale of products and results of operations, while a slow-down in demand for our customers' products tends to have an adverse effect on our revenue from sale of products and results of operations. We expect successful new model launches by these customers to likely increase our revenue from sale of products and results of operations. Accordingly, our operations have generally grown with our customers' businesses over time. Our customers, in turn, are dependent on general trends in the automotive and non-automotive industries. See "- *Market and Economic Conditions*" above.

We do not generally have firm commitment supply agreements with most of our customers and instead rely on purchase orders that set out the volume and other terms of our sales of products. Most of our customers provide us with forecasts of order volumes, generally for the immediate month and with a tentative delivery schedule for the following month, that help us predict our production volumes for that particular product. Our actual production volumes may differ from our estimates due to variations in customer demand for the related vehicles. When actual production volumes differ significantly from our estimates, we generally seek to make up any shortfalls through new orders, either with existing or with new customers, which may or may not materialise or materialise with a time lag.

Competition

We operate in the precision-forged components and safety-critical machined components industry, which is characterized by intense competition and evolving technical standards. We compete with various domestic and international manufacturers to retain our existing business as well as to acquire new business. The key competitive factors in our industry include technology, pricing, design attributes, product quality, delivery timelines, and engineering expertise. Our ability to compete effectively is based on factors such as rising automotive production, infrastructure development, and our ability to capture the export potential in the sector.

However, as the industry shifts towards precision quality, competitors who invest more aggressively in research and development of lightweighting of manufactured components, may render our products less competitive. Furthermore, competitors who are better able to leverage government policies such as the Production Linked Incentive schemes may achieve a lower cost of production compared to us. We compete with global competitors to retain our existing business as well as to acquire new business. Some of our competitors may have certain advantages, including greater financial, technical and/ or marketing resources, which could enhance their ability to finance acquisitions, fund international growth, respond more quickly to technological changes and/ or operate in more diversified geographies and product portfolios.

Some of our competitors may be able to produce similar or equivalent products at lower costs than we can produce them. Accordingly, we may not be able to compete effectively with our competitors or may be required to reduce prices to remain competitive, which may have an adverse effect on our business, profitability margins, financial condition, results of operations and cash flows. Furthermore, in case we do not innovate, our customers may shift to competitors. Thus, introducing new products ensures retention of existing customer accounts and reduces the risk of business loss.

Capital Expenditure

We have incurred significant capital expenditures in the past and there can be no assurance that our past or planned capital expenditures will result in growth and/or additional profitability for our Company.

We operate in capital intensive industry. We have expanded and upgraded our existing manufacturing facilities in the last three Fiscals to cater to the growing requirements of our customer. During the six month period ended September 30, 2025 and in Fiscals 2025, 2024 and 2023, we have invested ₹161.09 million, ₹538.12 million, ₹491.18 million and ₹374.26 million accounting for 3.46%, 7.17%, 7.31% and 6.21% of our revenue from operations, respectively towards capital expenditure for upgrading our forging, and machining capabilities.

We benefit from high entry barriers due to its capital-intensive operations, technical expertise, and stringent quality standards, making it a trusted partner for high-precision and safety-critical components. To compete effectively, we must be able to develop and produce new products to meet our customers' demand in a timely manner, which requires a significant capital expenditure. Since we are the single source supplier for certain components to select OEM companies in India and we may also be required to make substantial investments to adapt to the expansions plans made by our existing OEM customers to ensure continuity in business from such OEM customers, however there is no assurance that such investments will be as profitable. Further, we may not be able to take on new opportunities from our existing OEM customers if such opportunities do not offer attractive value proposition or commercial viability. We cannot assure you that we will be able to successfully convert these capital expenditures profitable in the future. Our capital expenditures may also lead to unsuccessful projects which may cause loss to our business.

We incur certain bare minimum capital expenditure for maintenance irrespective of the business or revenue, such as for upgradation and modernization of our manufacturing facilities, infrastructure, machines, equipment and technology to allow us to offer a diverse product suite, reduce operating costs and drive productivity and in the event of any negative impact of the business, such capital expenditure may result in negative cash flows. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition. Further, expansion and acquisitions may require us to incur or assume new debt, expose us to future funding obligations or integration risks and we cannot assure you that such expansion or acquisition will contribute to our profitability

SIGNIFICANT ACCOUNTING POLICIES

1(A) Corporate Information

Kay Jay Forgings Limited (hereinafter referred to as the Company) is a Public Company domiciled in India. The Company was formerly known as Kay Jay Forgings Private Limited, prior to its conversion from private limited to public limited status w.e.f. 19th day of December 2024, pursuant to approval granted by the Ministry of Corporate affairs. The Registered office of the company is situated at A-8, Maya Puri Industrial Area Phase-1, New Delhi, Delhi, India, 110064.

The Company is mainly engaged in business of manufacturing of engineering goods i.e. Forging, Auto Parts etc. The Company caters to both domestic and international market.

The Restated Financial Statements have been approved by the Board on dated March 5, 2026.

Material Accounting Policies

(a) Statement of Compliance & Basis of Preparation

The restated standalone financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the restated financial statements. The Company adopted Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, w.e.f. April 1st, 2022.

These restated financial statements include Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and Notes for the six month period ended September 30, 2025, for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, comprising a summary of material accounting policies and other explanatory information and comparative information in respect of the preceding period.

These restated financial information have been prepared by the Management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Company with the Securities & Exchange Board of India ("**SEBI**"), National Stock Exchange of India Limited and BSE Limited in connection with the proposed Initial Public Offering ("**IPO**") of its Equity Shares.

The restated financial information, which have been approved by the Board of Directors of the Company, have been prepared by the Company as a going concern on the basis of relevant Ind-AS that are effective as at September 30, 2025 in accordance with the requirements of:

a. Section 26 of Part I of the Chapter III of the Companies Act, 2013 ("**the Act**")

b. Relevant provisions of 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**")

This Restated Financial Information has been compiled by the Management from:

a) The Audited Special Purpose Ind AS Interim Financial Statements of the Company as at and for the six months period ended September 30, 2025 were prepared in accordance with the Ind AS 34 "Interim Financial Reporting", specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on **February 2, 2026**.

b) The Audited Financial Statements of the Company as at and for the year ended March 31, 2025 were prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on **August 13, 2025.**

c) The Audited Special Purpose Ind AS Financial Statements of the Company as at and for the year ended March 31, 2024 and March 31 2023 were prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on **September 30, 2025.**

For the purpose of the audited special purpose financial statements for the year ended March 31, 2023 of the Company, the transition date is considered as April 01, 2022 which is different from the statutory transition date should have been adopted by the Company at the time of first time transition to Ind AS (i.e. April 01, 2023) for the purpose of preparation of the Statutory Ind AS Financial Statements as required under the Act.

Accordingly, the Company has applied the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101, as applicable) as on April 01, 2022 for the Special Purpose Ind AS Financial Statements, as it would have applied on April 01, 2023.

The audited special purpose financial statements have been prepared solely for the purpose of preparation of Restated Financial Information for inclusion in offer documents in relation to the proposed IPO, which requires financial statements of all the periods included, to be presented under Ind AS. As such, these Special Purpose Financial Statements are not suitable for any other purpose other than for the purpose of preparation of the Restated Financial Information and are also not financial statements prepared pursuant to any requirements under Section 129 of the Act.

The Company's Restated Financial Information for the six month period ended September 30, 2025, for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 were approved by the Board of Directors, in accordance with resolution passed on March 5, 2026.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value.

Derivative Financial Instruments

Certain Other financial assets and financial liabilities which have been measured at fair value (refer Note 36 annexed to the financial statements)

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Million (Rs.1,000,000) except wherever otherwise stated.

(b) Use of Estimates and Judgments

In preparing the financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations. The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

Areas involving critical estimates or judgements are:

- Recognition of deferred tax assets and liabilities- Note (p);
- Estimation of defined benefit obligation – Note (t);
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note (k);
- Leases: whether an arrangement contains a lease, determination of lease term, measurement of Right of Use ("**ROU**") assets - Note (m);
- Fair value measurement for financial instruments – Note (d)

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the restated financial information. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

(c) Current versus Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in IND AS 1, "Presentation of financial statements".

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 realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) 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:

- In the principal market for the asset or liability, or
- 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 is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. 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.

(e) Foreign Currency

(i) Functional and Presentation Currency

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) Transactions and Balances

Foreign currency transactions are translated into the respective 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 recognised in profit or loss.

(f) Property, Plant and Equipment

Transition to Ind AS:

For the transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2022 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date, except for Land for which fair value is considered as a deemed cost.

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Type of Assets	Schedule II life (years)	Useful Lives
Building –Factory	30	30
Building- others	60	60
Plant & Machinery	15	15
Computers	3	3
Office Equipment	5	5
Electrical Fittings & installations	10	10
Furniture & Fixtures	10	10
Vehicles	8	8

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

The company has adopted Straight Line Method from Written Down Value Method (except Depreciation on fixed assets of Unit-III and Machinery of other units installed from 01.04.2002 onwards as it was already on Straight Line Method) w.e.f. 1st April, 2024 to better reflect the pattern of economic benefits derived from the assets.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar asset.

Freehold land is not depreciated.

(g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development". Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Type of Assets:	Type of Assets Schedule II life (years)	Useful Lives
Software	6	5

(h) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment 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 Group estimates the asset's 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 unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(i) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(j) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(k) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(l) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value. The basis of determining costs for various categories of inventories is as follows –

Raw Materials

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Stores & Spares and Consumables

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Work-In-Progress

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Traded Goods

Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition. Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(m) Leases

(i) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short Term Leases and Leases of Low Value of Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Company has exercised judgement in determining the lease term as the non-cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(n) Financial Instruments

(i) Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets

Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

A financial asset that meets the following two conditions is measured at amortized cost.

-Business Model Test: The objective of company's business model is to hold the financial asset to collect the contractual cash flows.

- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI: -

-Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

-Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Equity Investments (other than investments in subsidiaries, associates and joint venture)

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

De-recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through the arrangement; and with that –

a) the Company has transferred substantially all the risks and rewards of the asset, or

b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

The company has accounted for its term loans, vehicle loans & other borrowings in accordance with Ind AS 109-Financial Instruments.

For trade and other payables maturing within one year from the balance sheet date, the carrying value is at Amortised Cost.

Financial liabilities are measured at amortized cost using Effective Interest Rate (EIR) method, except where practical constraints exist.

De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(o) Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

(p) Income Taxes

(i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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 the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

(q) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

Export Incentive

Income from Export Incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(r) Other Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(s) Borrowing Costs

Borrowing cost, if any, that are directly attributable to the acquisition, construction, or production of a *qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences, if any, to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

* *A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.*

(t) Employee Benefits

Gratuity

The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using projected unit credit method. The liability recognized in the balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income

Compensated Absences

Accumulated compensated absences are either availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service. The Company has a policy to encash the entire leaves balance outstanding as at the end of the year in the subsequent year.

Short-term obligations

Liabilities for wages and salaries, 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 employee's 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 benefit obligations in the balance sheet.

Changes in Accounting Policies and Disclosures

(a) New and amended standards and interpretations

(i) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no impact on the financial statements of the Company.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1:

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Company.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. These amendments had no impact on the financial statements of the Company.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

(b) Standards issued but not yet effective

There are no such standards or amendment issued which are not effective as on date.

NON-GAAP MEASURES

For details regarding reconciliation of the Non-GAAP measures included in this Draft Red Herring Prospectus, see "***Other Financial Information – Reconciliation of Non-GAAP Measures***" on page 321.

KEY COMPONENTS OF OUR RESTATED STATEMENT OF PROFIT AND LOSS

Set forth below are the key components of our statement of profit and loss from our continuing operations:

Total Income

Our total income comprises (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) sale of products and (ii) other operating revenue includes sale of manufacturing scrap, duty drawback and other export incentives.

Other Income

Other income primarily comprises (i) interest income from financial assets at amortised cost which includes interest from Bank deposits, electricity deposits, lease receivable and loans made by Company; (ii) gain on sale of property, plant & equipment; (iii) diesel incentives; (iv) rental income; (v) fair value gain on financial instruments at fair value through profit or loss; (vi) gain on derivative instruments; (vii) Rebate & discount and (viii) miscellaneous income.

Expenses

Our expenses primarily comprise cost of raw materials consumed, increase/ decrease in inventories of finished goods, work-in-progress and scrap, employee benefits expense, finance costs, depreciation and amortization expense; other expenses and CSR expenses.

Cost of Raw Material Consumed

Cost of raw materials consumed consists of raw materials i.e. steel round bars; cold rolled sheet, tube; ball bearing; crank pin; needle cage; bracket fender and sprocket.

Change in inventories of finished goods, work-in-progress and scrap

(Increase)/ decrease in inventories of finished goods, work-in-progress and scrap denotes increase/ decrease in inventories of finished goods, work in progress and scrap between opening and closing dates of a reporting period.

Employee Benefit Expenses

Employee benefit expense primarily comprises salaries, wages and bonus, contribution to provident fund and other funds, gratuity expenses and staff welfare expenses.

Finance Costs

Finance cost primarily comprise interest on borrowings, others and lease liability, bank charges and (gain)/loss on foreign currency transactions and translations (net).

Depreciation & Amortisation Expense

Depreciation and amortisation expense primarily comprise depreciation expenses on our property, plant and equipment & right of use assets and amortisation expenses on our intangibles assets.

Other Expenses

Other expenses comprise (i) consumable stores; (ii) purchase cutting tools; (iii) tools & dies; (iv) lubricants; (v) power and fuel expenses; (vi) job work charges; (vii) repairs and maintenance; (viii) establishment expenses; and (ix) selling and distribution

Income Tax Expense

Income tax expense comprises current tax, adjustment for tax relating to earlier years and deferred tax.

RESULTS OF OPERATIONS

The following table sets forth our selected financial data from our restated statement of profit and loss for the six month period ended September 30, 2025 and for the Fiscal 2025, Fiscal 2024 and Fiscal 2023, the components of which are also expressed as a percentage of total income for such years:

Particulars	As at September 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	₹ in million	As a percentage of total income	₹ in million	As a percentage of total income	₹ in million	As a percentage of total income	In ₹million	As a percentage of total income
Income								
Revenue from operations	4,660.63	99.79%	7,504.64	99.77%	6,723.16	99.52%	6,026.92	99.64%
Other income	9.90	0.21%	17.47	0.23%	32.59	0.48%	21.62	0.36%
Total income	**4,670.53**	**100.00%**	**7,522.11**	**100.00%**	**6,755.76**	**100.00%**	**6,048.54**	**100.00%**
Expenses								
Cost of Material Consumed	2,452.05	52.61%	4,028.21	53.68%	3,794.47	56.44%	3,510.25	58.24%
Changes in inventories of FG, Stock in Trade and WIP	72.66	1.56%	(63.89)	(0.85%)	(146.55)	(2.17%)	(32.49)	(0.54%)
Employee benefits expenses	640.24	13.71%	1,064.62	14.15%	932.88	13.81%	804.69	13.30%
Financial costs	59.29	1.27%	121.41	1.61%	132.64	1.96%	120.88	2.00%
Depreciation and amortization expenses	115.88	2.48%	229.96	3.06%	242.72	3.59%	213.43	3.53%
Other expenses	1,050.07	22.48%	1,760.72	23.41%	1,495.27	22.13%	1,243.63	20.56%
Total expenses	**4,390.17**	**94.00%**	**7,141.04**	**94.93%**	**6,451.43**	**95.50%**	**5,860.38**	**96.89%**
Profit/(Loss) before items and tax	**280.36**	**6.00%**	**381.07**	**5.07%**	**304.33**	**4.50%**	**188.16**	**3.11%**
Profit before tax	**280.36**	**6.00%**	**381.07**	**5.07%**	**304.33**	**4.50%**	**188.16**	**3.11%**
Current tax	70.60	1.51%	95.00	1.26%	72.50	1.07%	61.00	1.01%
Deferred tax charge	(3.80)	(0.08%)	(4.087)	(0.05%)	(9.432)	(0.14%)	(11.00)	(0.18%)
Tax relating to earlier years	-	-	-	-	-	-	0.03	0.00%
Total tax expenses for the period/ year	**66.80**	**1.43%**	**90.92**	**1.21%**	**63.07**	**0.93%**	**50.03**	**0.83%**
Profit/(Loss) after tax for the period/ year	**213.57**	**4.57%**	**290.15**	**3.86%**	**241.26**	**3.57%**	**138.13**	**2.28%**
Other Comprehensive Income								
A. Items that will not be reclassified to profit & loss								
(i) Remeasurement gain/ (loss) on defined employee benefit plans	(2.47)	(0.05%)	(2.72)	(0.03%)	(4.44)	(0.07%)	(2.61)	(0.04%)
(ii) Add/less Income Tax effect on above	2.40	0.05%	(0.43)	(0.01%)	0.46	0.01%	0.47	0.01%
Restated Total Comprehensive of the year	(0.08)	0.00%	(3.16)	(0.04)	(3.98)	(0.06)	(2.15)	(0.03)
Total Comprehensive Income for the Year	**213.49**	**4.57%**	**286.99**	**3.82%**	**237.27**	**3.51%**	**135.98**	**2.25%**

SIX MONTH PERIOD ENDED SEPTEMBER 30, 2025

Total Income

Our total income was ₹ 4,670.53 million in the six month period ended September 30, 2025, primarily on account of the following:

Revenue from Operations

Our Revenue from Operations was ₹ 4,660.63 million, primarily on account of (i) sale of products amounting to ₹ 4,421.23 million; and (ii) other operating revenue amounting to ₹239.40 million primarily on account of sale of scrap amounting to ₹229.45 million and duty drawback and other export incentive amounting to ₹9.94 million.

Other income

Our other income for the six month period ended September 30, 2025 was ₹ 9.90 million which primarily included Interest income amounting to ₹3.02 million, profit on sale of property, plant & Equipment amounting to ₹5.12 million, rent received – other amounting to ₹1.32 million.

Expenses

Our total expenses were ₹ 4,390.17 million for the six month period ended September 30, 2025, which primarily included (a) cost of materials consumed, (b) purchase of stock-in-trade, (c) changes in inventories of finished goods, stock-in-trade and work-in-progress, (d) employee benefits expense, (e) finance costs, (f) depreciation and amortization expense, and (g) other expenses.

Cost of raw material consumed

Our cost of raw materials consumed was ₹ 2,452.05 million for the six month period ended September 30, 2025 primarily on account of purchases which was ₹ 2,435.14 million.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Our Changes in inventories of finished goods, stock-in-trade and work-in-progress was ₹ 72.66 million for the six month period ended September 30, 2025 primarily due to on account of decrease in inventories of finished goods which was ₹ 64.06 million.

Employee benefit expenses

Our Employee Benefits expense was ₹ 640.24 million for the six month period ended September 30, 2025, primarily on account of (i) salaries and wages of ₹ 559.36 million; (ii) contribution of Provident and other funds of ₹ 33.50 million; (iii) Staff welfare expenses of ₹ 34.74 million; and (iv) Gratuity of ₹ 12.64 million.

Financial Costs

Our finance costs were ₹ 59.29 million for the six month period ended September 30, 2025, primarily on account of (i) interest expenses on borrowings ₹ 65.50 million; and (ii) interest expenses on lease liability ₹0.17 million.

Depreciation and amortization expenses

Our depreciation and amortization expense was ₹ 115.88 million for the six month period ended September 30, 2025, which primarily included depreciation of property, plant, and equipment of ₹ 114.73 million, depreciation on right of use asset of ₹ 0.65 million, and amortization on intangible asset of ₹ 0.50 million.

Other Expenses

Our other expenses were ₹ 1,050.07 million for the six month period ended September 30, 2025, which primarily included manufacturing expenses of ₹ 816.86 million, selling and distribution expenses of ₹ 158.48 million, and establishment expenses of ₹ 74.72 million.

Tax Expenses

Our total tax expense was ₹ 66.80 million for the six month period ended September 30, 2025, which primarily included current tax expense of ₹ 70.60 million, partially offset by deferred tax credit of ₹ (3.80) million.

Profit/Loss for the Period

As a result of the foregoing factors, our profit was ₹ 213.57 million for the six month period ended September 30, 2025.

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income

Total income increased by 11.34% from ₹ 6,755.76 million in Fiscal 2024 to ₹ 7,522.11 million in Fiscal 2025 primarily due to an increase in our revenue from operations and other income as discussed below:

Revenue from Operations

Total income increased by 11.34% from ₹ 6,755.76 million in Fiscal 2024 to ₹ 7,522.11 million in Fiscal 2025 primarily due to an increase in sale of manufactured goods and other operating revenue. Sale of manufactured goods has increased by 11.78% from ₹ 6,339.06 million in Fiscal 2024 to ₹ 7,085.98 million in Fiscal 2025 on account of increase in sale in indigenous market.

Sale from indigenous market increased by 14.15% to ₹ 6,711.50 million in Fiscal 2025 from ₹ 5,879.49 million in Fiscal 2024 primarily driven by higher sales volumes from customers in automotive and non-automotive industry. However, revenue growth was partially offset by decrease in revenue from exports sales from ₹ 459.58 million in Fiscal 2024 to ₹ 374.47 million in Fiscal 2025 this was primarily due to disruption arising from the Red Sea crisis.

Our other operating revenue has increased by 8.99% from ₹ 384.10 million in Fiscal 2024 to ₹ 418.66 million in Fiscal 2025 owing to increase in sale of scrap. Sales of scrap have increased from ₹ 372.99 million in Fiscal 2024 to ₹ 409.53 million in Fiscal 2025, marking an increase of 9.80%.

Details of our revenue growth from the end-use industries in automotive and non-automotive industries and sale of scrap during Fiscal 2024-25.

Sector / End-Use Industry	Fiscal 2025	Fiscal 2024	
	Amount (₹ in million)	Amount (₹ in million)	% of Change
Automotive Sales			
Two wheelers	5,446.47	4,809.28	13.25
Three wheelers	401.07	360.89	11.13
Four wheelers	698.81	556.94	25.47
Commercial Vehicle	350.83	509.00	-31.07
Electric Vehicle	120.79	84.71	42.59
Non-Automotive Sales	**77.14**	**29.35**	**162.83**
Scrap Sales	409.53	372.99	9.80
Total Revenue from operation	**7,504.64**	**6,723.16**	**11.62**

Other income

Other income decreased by 46.39% from ₹ 32.59 million in Fiscal 2024 to ₹ 17.47 million in Fiscal 2025 primarily due to decrease in interest income and other non-operating income. Our interest income reduced by 44.97% from ₹ 24.84 million in Fiscal 2024 to ₹ 13.67 million in Fiscal 2025 mainly on account of decline in revenue from interest on loans and advances and other interest. In addition, non-operating income also has fallen by 50.97% to ₹7.75 million in Fiscal 2024 to ₹3.80 million in Fiscal 2025.

Expenses

Total expenses increased by 10.69 % from ₹ 6,451.43 million in Fiscal 2024 to ₹ 7,141.04 million in Fiscal 2025 primarily due to increase in cost of raw materials consumed, employee benefit expenses and other expenses on account of higher business activities as the revenue from operation increased by 11.62%.

Cost of raw material consumed

Cost of raw material consumed increased by 6.16% from ₹ 3,794.47 million in Fiscal 2024 to ₹ 4,028.21 million in Fiscal 2025 on account of increase in revenue from operations owing to higher sales volumes from key customers. Cost of material as percentage of revenue from operation has decreased from 56.44% in Fiscal 2024 to 53.68% in Fiscal 2025 driven by better bargaining power with supplier and better product mix.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Our inventories of finished goods, stock-in-trade and work-in-progress increased by ₹63.89 million in Fiscal 2025, as compared to an increase of ₹146.55 million in Fiscal 2024. The increase in Fiscal 2025 was primarily on account of finished goods inventory of ₹29.84 million and an increase in work-in-progress of ₹34.05 million. This reflects a more balanced inventory build-up aligned with production and dispatch levels. In contrast, the increase in Fiscal 2024 was primarily attributable to a significant rise in work-in-progress of ₹133.53 million, along with a relatively modest increase in finished goods inventory of ₹13.02 million. The lower inventory growth in Fiscal 2025 indicates improved alignment between production and sales and tighter inventory management compared to the significant production-stage inventory build-up observed in Fiscal 2024.

Employee benefit expenses

Employee benefits expense increased by 14.12% from ₹932.88 million in Fiscal 2024 to ₹1,064.62 million in Fiscal 2025. This increase was primarily driven by higher salaries and wages, which rose from ₹803.80 million in Fiscal 2024 to ₹923.31 million in Fiscal 2025, reflecting an expansion in workforce and annual increments during the year. Contributions to provident and other funds also increased from ₹52.03 million in Fiscal 2024 to ₹57.62 million in Fiscal 2025, while staff welfare expenses rose from ₹56.09 million in Fiscal 2024 to ₹63.27 million in Fiscal 2025. The increase was partially offset by a marginal decrease in gratuity expense from ₹20.95 million in Fiscal 2024 to ₹20.42 million in Fiscal 2025. The overall increase in employee benefits expense was primarily attributable to an increase in the number of employees from 2,518 as at March 31, 2024 to 2,936 as at March 31, 2025, representing a growth of 16.60%, in line with the increased scale of operations during Fiscal 2025.

Financial costs

Finance costs decreased by 8.47% from ₹132.64 million in Fiscal 2024 to ₹121.41 million in Fiscal 2025 on account of decrease in interest expense on borrowings. Interest expense reduced from ₹145.17 million in Fiscal 2024 to ₹138.90 million in Fiscal 2025 primarily on account of repayment of non-current borrowings. Non-current borrowings have reduced from ₹709.77 million in Fiscal 2024 to ₹ 551.66 million in Fiscal 2025. Interest on term loans reduced from ₹58.62 million in Fiscal 2024 to ₹48.77 million in Fiscal 2025, and interest on working capital borrowings increased from ₹75.16 million in Fiscal 2024 to ₹78.41 million in Fiscal 2025. Additionally, lease liability interest fell from ₹0.64 million in Fiscal 2024 to ₹0.42 million in Fiscal 2025. Bank charges also increased marginally from ₹0.41 million in Fiscal 2024 to ₹0.68 million in Fiscal 2025. The decline in finance costs was further supported by a swing in foreign currency transactions and translation, from a loss of ₹3.57 million in Fiscal 2024 to a net gain of ₹2.67 million in Fiscal 2025, contributing favourably to the overall reduction.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased by 5.26% from ₹ 242.72 million in Fiscal 2024 to ₹ 229.96 million in Fiscal 2025 primarily due to a decrease in depreciation on Property, Plant & Equipment. Depreciation on Property, Plant & Equipment has declined by 4.55% from ₹ 238.68 million in Fiscal 2024 to ₹ 227.82 million in Fiscal 2025 to change in method of depreciation from written down value to straight line method.

Other expenses

Other expenses increased by 17.75% from ₹1,495.27 million in Fiscal 2024 to ₹1,760.72 million in Fiscal 2025 primarily due to increase in stores & spares consumed by 19.17% from ₹ 423.19 million in Fiscal 2024 to ₹ 504.69 million in Fiscal 2025; increase in power & fuel by 13.58 % from ₹ 344.92 million in Fiscal 2024 to ₹ 391.77 million in Fiscal 2025; increase in job work by 25.29% from ₹ 282.97 million in Fiscal 2024 to ₹ 354.55 million in Fiscal 2025; increase in freight, cartage and octroi outward by 14.41% from ₹ 175.45 million in Fiscal 2024 to ₹ 200.73 million in Fiscal 2025 which is mainly due to increase in production and sales.

Tax Expenses

Total tax expense (current and deferred) increased by 44.16% from ₹ 63.07 million in Fiscal 2024 to ₹ 90.92 million in Fiscal 2025 primarily due to corresponding increase in restated profit before tax.

- Current tax expense increased by 31.03% from ₹ 72.50 million in Fiscal 2024 to ₹ 95.00 million in Fiscal 2025, in line with the increase in taxable income;

- Deferred tax (credit) decreased by 56.76% from ₹ (9.43) in Fiscal 2024 to ₹ (4.08) million in Fiscal 2025 primarily due to reduced temporary difference between book and tax value of property, plant & equipment in Fiscal 2025 than in Fiscal 2024.

Profit for the year

As a result of the foregoing factors, Profit for the year increased by 20.26% from ₹ 241.26 million in Fiscal 2024 to ₹ 290.15 million in Fiscal 2025

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Total income increased by 11.69% from ₹ 6,048.54 million in Fiscal 2023 to ₹ 6,755.76 million in Fiscal 2024 primarily due to an increase in our revenue from operations and other income as discussed below:

Revenue from Operations

Revenues from operations increased by 11.55 % from ₹ 6,026.92 million in Fiscal 2023 to ₹ 6,723.16 million in Fiscal 2024.Our Revenue from operation has increased on account of increased in sale of manufactured goods and other operating revenue. Our revenue from manufactured goods increases from ₹ 5,663.76 million in Fiscal 2023 to ₹ 6,339.06 million in Fiscal 2024 on account of increase in revenue from indigenous and export market. Revenue from domestic market increased from ₹ 5,320.89 million to ₹ 5879.49 million primarily driven by higher sales volumes from key customers, particularly in the two-wheeler, four-wheeler, and commercial vehicles. Revenue from exports sales increase from ₹ 342.87 million in Fiscal 2023 to ₹459.58 million in Fiscal 2024 due to increase in volume in the export of auto parts of commercial vehicles.

Our other operating revenues increased by 5.77% from ₹363.16 million in Fiscal 2023 to ₹ 384.10 million in Fiscal 2024 primarily on account of increase in sale of scrap by 4.93% from ₹ 355.48 million in Fiscal 2023 to ₹ 372.99 million in Fiscal 2024 and increase in duty drawback and other export incentives by 44.47% from ₹ 7.69 million in Fiscal 2023 to ₹ 11.11 million in Fiscal 2024.

Details of our revenue growth from the end-use industries in auto industries, non-auto industries and sale of Scrap during Fiscal 2023-24.

Sector / End-Use Industry	Fiscal 2024	Fiscal 2023	
	Amount (₹ in million)	Amount (₹ in million)	% of Change
Automotive Sales			
Two wheelers	4,809.28	4,345.72	10.67
Three wheelers	360.89	440.30	-18.04
Four wheelers	556.94	464.28	19.96
Commercial Vehicle	509.00	295.46	72.27
Electric Vehicle	84.71	116.46	-27.26
Non-Automotive Sales	**29.35**	**9.22**	**218.33**
Scrap Sales	**372.99**	**355.48**	**4.93**
Total Revenue from operation	**6,723.16**	**6,026.92**	**11.55**

Other Operating Revenues

Other operating revenues increased by 5.77% from ₹363.16 million in Fiscal 2023 to ₹ 384.10 million in Fiscal 2024 primarily on account of increase in sale of scrap by 4.93% from ₹ 355.48 million in Fiscal 2023 to ₹ 372.99 million in Fiscal 2024 and increase in duty drawback and other export incentives by 44.47% from ₹ 7.69 million in Fiscal 2023 to ₹ 11.11 million in Fiscal 2024.

Other income

Other income increased by 50.74% from ₹ 21.62 million in Fiscal 2023 to ₹ 32.59 million in Fiscal 2024 primarily due to increase in interest income by 18.06% from ₹ 21.04 million in Fiscal 2023 to ₹ 24.84 million in Fiscal 2024 and increase in gain arising from financial assets at fair value through profit or loss from ₹ 0.14 million in Fiscal 2023 to ₹ 3.12 million in Fiscal 2024.

Expenses

Total expenses increased by 10.09% from ₹ 5,860.38 million in Fiscal 2023 to ₹ 6,451.43 million in Fiscal 2024 primarily due to increase in cost of raw materials consumed, employee benefit expenses and other expenses on account of higher business activities as the total income increased by 11.69%.

Cost of raw material consumed

Cost of raw material consumed increased by 8.10% from ₹ 3,510.25 million in Fiscal 2023 to ₹ 3,794.47 million in Fiscal 2024 on account of increase in revenue from operations owing to higher sales volumes from key customers. Cost of material as percentage of revenue from operation has decreased from 58.24% in Fiscal 2023 to 56.44% in Fiscal 2024 driven by better bargaining power with supplier and better product mix.

Changes in inventories of finished goods, stock-in-trade and work-in-progress

Our inventories of finished goods, stock-in-trade and work-in-progress increased significantly by ₹146.55 million in Fiscal 2024 as compared to an increase of ₹32.49 million in Fiscal 2023. The increase in Fiscal 2024 was primarily on account of rise in work-in-progress of ₹133.53 million, reflecting higher production activity during the year, along with an increase in finished goods inventory of ₹13.02 million. In contrast, the increase in Fiscal 2023 was mainly attributable to an increase in work-in-progress of ₹37.52 million, partly offset by a decrease in finished goods inventory of ₹5.03 million. The higher inventory growth during Fiscal 2024 indicates a significant build-up in production-stage inventories compared to the more stable inventory position maintained in Fiscal 2023.

Employee benefit expenses

Employee benefits expense increased by 15.93% from ₹804.69 million in Fiscal 2023 to ₹932.88 million in Fiscal 2024. This increase was primarily driven by higher salaries and wages, which rose from ₹691.00 million in Fiscal 2023 to ₹803.80 million in Fiscal 2024, reflecting an expansion in workforce and annual increments during the year. Contributions to provident and other funds also increased from ₹44.18 million in Fiscal 2023 to ₹52.03 million in Fiscal 2024, while staff welfare expenses rose from ₹51.13 million in Fiscal 2023 to ₹56.09 million in Fiscal 2024. There was an increase in gratuity expense from ₹18.38 million in Fiscal 2023 to ₹20.95 million in Fiscal 2024. The overall increase in employee benefits expense was primarily attributable to an increase in the number of employees from 2,430 as at March 31, 2023 to 2,519 as at March 31, 2024, representing a growth of 3.66%, in line with the increased scale of operations during Fiscal 2024.

Financial costs

Finance costs increased by 9.73% from ₹120.88 million in Fiscal 2023 to ₹132.64 million in Fiscal 2024 on account of increase was primarily driven by higher interest expense on borrowings, which rose from ₹122.79 million in Fiscal 2023 to ₹145.17 million in Fiscal 2024, reflecting continued utilization of borrowings.

Interest on working capital borrowings increased significantly from ₹58.77 million in Fiscal 2023 to ₹75.16 million in Fiscal 2024, while interest on term loans rose from ₹49.07 million to ₹58.62 million during the same period. Interest in car loans decreased marginally from ₹1.37 million in Fiscal 2023 to ₹1.08 million in Fiscal 2024. Additionally, lease liability interest increased from ₹0.59 million in Fiscal 2023 to ₹0.64 million in Fiscal 2024. Bank charges decreased slightly from ₹0.90 million in Fiscal 2023 to ₹0.41 million in Fiscal 2024. The overall increase in finance costs was partially offset by a reduction in net loss on foreign currency transactions and translation, which declined from ₹6.21 million in Fiscal 2023 to ₹3.57 million in Fiscal 2024.

Depreciation and amortization expenses

Depreciation and amortization expenses increased by 13.73 % from ₹ 213.42 million in Fiscal 2023 to ₹ 242.72 million in Fiscal 2024 primarily due to increase in addition in property, plant & equipment by 9.53% from ₹ 490.89 million in Fiscal 2023 to ₹ 537.69 million in Fiscal 2024.

Other expenses

Other expenses increased by 20.23% from ₹1,243.63 million in Fiscal 2023 to ₹1,495.27 million in Fiscal 2024. This increase was primarily driven by higher manufacturing expenses and establishment costs. Stores and spares consumed rose by 24.37% from ₹340.27 million in Fiscal 2023 to ₹423.19 million in Fiscal 2024, while power and fuel expenses increased by 20.97% from ₹285.13 million to ₹344.92 million during the same period. Job work charges also saw a significant rise of 42.81%, from ₹198.14 million in Fiscal 2023 to ₹282.97 million in Fiscal 2024, reflecting increased production activity. Additionally, repair to machinery expenses grew by 15.66% from ₹81.95 million in Fiscal 2023 to ₹94.78 million in Fiscal 2024. These increases were in line with the overall expansion in operations during Fiscal 2024.

Tax Expenses

Total tax expense (current and deferred) increased by 26.06% from ₹ 50.03 million in Fiscal 2023 to ₹ 63.07 million in Fiscal 2024 primarily due to corresponding increase in restated profit before tax:

- Current tax expense increased by 18.85 % from ₹ 61.00 million in Fiscal 2023 to ₹ 72.50 million in Fiscal 2024 primarily due to increase in profit before tax;
- Tax relating to earlier years decreased by 100 % from ₹ 0.03 million in Fiscal 2023 to Nil in Fiscal 2024; and
- Deferred tax decreased by 16.65 % from ₹ (11.00) million in Fiscal 2023 to ₹ (9.43) million in Fiscal 2024 primarily due to lower difference between the carrying book and tax value of property, plant & equipment in Fiscal 2025 than in Fiscal 2024.

Profit for the year

As a result of the foregoing factors, Profit for the year increased by 74.66 % from ₹ 138.13 million in Fiscal 2023 to ₹ 241.26 million in Fiscal 2024.

LIQUIDITY AND CAPITAL RESOURCES

Capital Requirements

Our principal capital requirements are for increasing scale of operations. Our principal source of funding has been and is expected to continue to be cash generated from our operations, availing term loans and optimization of operating working capital. For the six month period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings.

Liquidity

Our liquidity requirements arise principally from our operating activities and repayment of borrowings. Historically, our principal sources of funding have included cash from operations, long-term borrowings and cash and cash equivalents.

For reconciliation of Non-GAAP measures, see ***"Other Financial Information – Reconciliation of Non-GAAP Measures"*** *on page 321.*

Cash Flows

Our anticipated cash flows are dependent on various factors that are beyond our control. See "***Risk Factors***" beginning on page 20. The following table sets forth certain information relating to our cash flows for the six month period ended September 30, 2025, and Fiscals 2025, 2024 and 2023:

Particulars	**For the six month period ended September 30, 2025**	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
	(₹ in million)			
Net cash flows from operating activities	179.60	586.58	528.72	780.53
Net cash flows / (used in) investing activities	(115.83)	(478.64)	(224.61)	(676.58)
Net cash flows / (used in) financing activities	46.98	(280.73)	(247.31)	59.94
Net increase/ (decrease) in cash and cash equivalents	110.75	(172.80)	56.80	163.89
Cash and cash equivalents at the beginning of the year end	74.35	247.14	190.34	26.45
Cash and cash equivalents at the end of the year end	185.09	74.35	247.14	190.34

Cash Flows from Operating Activities

Six month period ended September 30, 2025

Net cash generated from operating activities was ₹179.60 million, primarily due to profit before tax of ₹280.36 million, adjusted for depreciation and amortization of ₹115.88 million and finance costs of ₹59.29 million. This was partially offset by interest income of ₹ 3.02 million, resulting in operating cash flows before working capital changes of ₹449.74 million.

This was further adjusted for changes in working capital, primarily consisting of an increase in trade receivables of ₹186.47 million, an decrease in inventories of ₹66.59 million, an increase in short term loans and advances of ₹75.17 million, an increase in financial assets & other current assets of ₹20.41 million, an increase in financial liabilities of ₹33.88 million and a decrease in short term borrowings & other payable ₹17.97 million. As a result, cash generated from operations was ₹250.20 million, before adjusting income taxes paid (net of refund) of ₹ 70.60 million.

Fiscal 2025

Net cash generated from operating activities was ₹586.58 million, primarily due to profit before tax of ₹381.07 million, adjusted for depreciation and amortization of ₹229.96 million and finance costs of ₹121.41 million. This was partially offset by interest income of ₹13.67 million, resulting in operating cash flows before working capital changes of ₹716.01 million.

Working capital adjustments primarily consisted of an increase in trade receivables of ₹89.38 million, an increase in inventories of ₹143.08 million, a decrease in short term loans and advances of ₹3.15 million, an increase in financial assets & other current assets of ₹25.63 million, an increase short term borrowings & other payables of ₹70.06 million and an increase in financial liabilities of ₹150.44 million. As a result, cash generated from operations was ₹681.58 million, before adjusting for income taxes paid (net of refund) of ₹95.00 million.

Fiscal 2024

Net cash generated from operating activities was ₹528.72 million, primarily due to profit before tax of ₹304.33 million, adjusted for depreciation and amortization of ₹242.72 million and finance costs of ₹132.64 million. This was partially offset by interest income of ₹24.84 million, resulting in operating cash flows before working capital changes of ₹651.42 million.

Working capital adjustments primarily consisted of an increase in trade receivables of ₹12.92 million, an increase in inventories of ₹149.80 million, a decrease in short term loans and advances of ₹14.41 million and an increase in short term borrowings and other payables of ₹97.63 million. As a result, cash generated from operations was ₹601.22 million, before adjusting for income taxes paid (net of refund) of ₹72.50 million.

Fiscal 2023

Net cash generated from operating activities was ₹780.53 million, primarily due to profit before tax of ₹188.16 million, adjusted for depreciation and amortization of ₹213.43 million and finance costs of ₹120.88 million. This was partially offset by interest income of ₹21.04 million, resulting in operating cash flows before working capital changes of ₹509.34 million.

Working capital adjustments primarily consisted of a decrease in trade receivables of ₹59.56 million, an increase in inventories of ₹64.74 million, a decrease in short-term loans and advances of ₹180.51 million, and an increase in short term borrowings and other payables of ₹155.75 million. As a result, cash generated from operations was ₹841.56 million, before adjusting for income taxes paid (net of refund) of ₹61.03 million.

Cash Flows from Investing Activities

Six month period ended September 30, 2025:

Net cash used in investing activities was ₹115.83 million, primarily on account of purchase of property, plant & equipment, intangible assets, right of use asset & CWIP (net of sales) of ₹66.90 million and increase in non-current assets and investments of ₹51.94 million. This was partially offset by interest received of ₹ 3.02 million.

Fiscal 2025:

Net cash used in investing activities was ₹478.64 million, primarily on account of purchase of property, plant & equipment, intangible assets, right of use asset & CWIP (net of sales) of ₹636.00 million, partially offset by a decrease in non-current assets and investments of ₹143.69 million and interest received ₹13.67 million.

Fiscal 2024:

Net cash used in investing activities was ₹224.61 million, primarily on account of purchase of property, plant & equipment, intangible assets, right of use asset & CWIP (net of sales) of ₹432.54 million, partially offset by a decrease in non-current assets and investments of ₹183.08 million and interest received ₹24.84 million.

Fiscal 2023:

Net cash used in investing activities was ₹676.58 million, primarily on account of purchase of property, plant & equipment, intangible assets, right of use asset & CWIP (net of sales) of ₹394.30 million and an increase in non-current assets and investments of ₹303.32 million and partially offset by a decrease in interest received ₹21.04 million.

Cash Flows from Financing Activities

Six month period ended September 30, 2025:

Net cash generated from financing activities was ₹46.98 million, primarily due to proceeds from long-term borrowings (net) of ₹106.91 million, partially offset by interest payments of ₹59.11 million and lease repayments (including interest) ₹ 0.82 million.

Fiscal 2025:

Net cash used in financing activities was ₹280.73 million, primarily due to repayments of long-term borrowings (net) of ₹158.11 million, interest payments of ₹120.99 million and lease repayment (including interest) ₹1.63 million.

Fiscal 2024:

Net cash used in financing activities was ₹247.31 million, primarily due to repayments of long-term borrowings (net) of ₹115.01 million, interest payments of ₹128.68 million and lease repayment (including interest) ₹3.62 million.

Fiscal 2023:

Net cash generated from financing activities was ₹59.94 million, primarily due to proceeds from long-term borrowings (net) of ₹192.71 million, partially offset by interest payments of ₹129.28 million and lease repayments (including interest) ₹ 3.49 million.

FINANCIAL INDEBTEDNESS

As of March 15, 2026 we have total borrowings of ₹ 1,137.76 million.

Category of Borrowing	Sanctioned Amount (to the extent applicable)	Amount outstanding as at March 15, 2026
Secured Loan		
Fund based facilities		
Term loans	822.69	474.27
Vehicle Loans	46.27	33.41
Working Capital/ Cash Credit	1,025.00	430.84
Total secured fund based (A)	**1,893.96**	**938.52**
Non-fund based facilities		
Bank Guarantee	10.00	1.12
Total secured non fund based (B)	**10.00**	**1.12**
Total secured (C) = (A) + (B)	**1,903.96**	**939.64**
Unsecured Loan		
Fund based	-	198.12
Non- fund based	-	Nil
Total unsecured Loan (D)	-	**198.12**
Total borrowings (E = C+D)	**1,903.96**	**1,137.76**

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of six month period ended September 30, 2025, Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023 our contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, that have not been provided for, were as follows:

(*₹ in million*)

Particulars	Period Ended September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Contingent liabilities:				
d) Claims against the Company not acknowledged as debt				
(iii) GST Demand (Net of deposit paid) #	0.08	0.08	-	-
(iv) Income Tax Demand #*	2.79	2.79	2.79	2.79
# The above matters are subject to legal proceedings in the ordinary course of business. On the basis of current status of the cases and as per legal advice obtained, wherever applicable, along with the opinion of Management, when ultimately concluded will not have material effect on the results of operations or financial operations of the Company. * According to us Income Tax Demands shown on the portal is incorrect. We have also replied against the outstanding demand raised by the department for the removal of the said demand.				
e) Bank Guarantee	1.11	-	1.01	1.01
f) Other money for which the Company is contingently liable 3. Letter of Credit 4. Bills Discounted	Nil 711.62	Nil 526.95	Nil 453.32	Nil 357.40
Commitments				
(d) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Tangible assets	Nil	Nil	Nil	Nil
Intangible assets	Nil	Nil	Nil	Nil
(e) Uncalled liability on shares and other investments partly paid	Nil	Nil	Nil	Nil
(f) Other commitments (specify nature)	Nil	Nil	Nil	Nil

For further details on our contingent liabilities for six month period ended September 30, 2025 and Financial Years ended March 31, 2025, March 31, 2024, March 31, 2023 as per Ind AS 37, see "***Restated Financial Information***" on page 246.

Except as disclosed elsewhere in this Draft Red Herring Prospectus there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 aggregated by type of contractual obligation:

(*₹ in million)*

Particulars	Carrying Value	<less than 1 year	1-5 years	More than-5 years	Total
As at 30 September 2025					
Borrowings	838.05	179.49	406.17	252.39	838.05

Particulars	Carrying Value	<less than 1 year	1-5 years	More than-5 years	Total
Lease Liabilities	3.92	0.45	2.34	1.13	3.92
Trade Payables	754.76	754.76	3.96	-	754.76
Other Financial Liabilities	283.22	283.22	-	-	283.22
Total Financial Liabilities	**1,879.95**	**1,217.92**	**408.51**	**253.52**	**1,879.95**
Year ended 31 March 2025					
Borrowings	1,018.83	600.88	361.57	256.83	1,219.29
Lease Liabilities	4.56	1.25	3.30	1.48	6.04
Trade Payables	593.18	589.29	3.89	-	593.18
Other Financial Liabilities	249.34	249.34	-	-	249.34
Total Financial Liabilities	**1,865.92**	**1,440.77**	**368.77**	**258.32**	**2,067.86**
Year ended 31 March 2024					
Borrowings	1,113.72	615.12	536.30	247.70	1,399.13
Lease Liabilities	5.77	1.63	3.89	2.14	7.67
Trade Payables	601.31	596.54	4.76	-	601.31
Other Financial Liabilities	98.89	98.89	-	-	98.89
Total Financial Liabilities	**1,819.72**	**1,312.20**	**544.69**	**249.48**	**2,107.01**
Year ended 31 March 2023					
Borrowings	1,423.15	721.17	707.46	262.47	1,691.11
Lease Liabilities	7.14	4.19	3.53	-	7.73
Trade Payables	423.43	420.97	2.45	-	423.43
Other Financial Liabilities	48.32	48.32	-	-	48.32
Total Financial Liabilities	**1,902.05**	**1,194.66**	**713.45**	**262.47**	**2,170.60**

CAPITAL EXPENDITURES

For the six month period ended September 30, 2025 and Fiscal 2025, Fiscal 2024 and Fiscal 2023, our capital expenditure towards additions to property and equipment were ₹ 161.09 million, ₹ 538.12. million, ₹ 491.18 million and ₹ 374.26 million respectively.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include loans, interest payments, rent expenses & rental income, freight expenses, job work and remuneration.

We cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Such related party transactions may potentially involve conflicts of interest. For details relating to our related party transactions, see "***Other Financial Information – Related Party Transactions***" on page 321.

AUDITOR'S OBSERVATIONS

There are no qualifications, reservations and adverse remarks by our Statutory Auditors in our Restated Financial information.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks that are related to the normal course of our operations such as credit risk, liquidity risk, market risk, foreign currency risk, price risk, interest rate risk and inflation risk, which may affect economic growth in India and the value of our financial liabilities, our cash flows and our results of operations.

Credit Risk

Credit Risk arises from the possibility that the value of receivables or other financial assets of the company may be impaired because counter-parties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding looking information such as:

(i) Actual or expected significant adverse changes in business;

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations.

(iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward looking information. Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

Based on the historical data no provision has been considered. Necessary since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time. The company maintains exposure in cash & cash equivalents, deposits with banks, investments and other financial assets. The maximum exposure to the credit risk at the reporting date is the carrying value of each class of financial assets. The company believes the current value of trade receivables reflects the fair value/recoverable values.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. The company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the company's reputation. Management manages the liquidity risk by monitoring cash flow forecasts on a yearly basis and maturity profiles of financial assets and financial liabilities. This monitoring takes into account the accessibility of cash & cash equivalents and additional undrawn financing facilities.

The Company will continue to consider various borrowing options to maximize liquidity and supplements cash requirements as necessary. The company's objective is to maintain a balance between continuity of funding & flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities.

Market Risk

We are exposed to various types of market risks during the normal course of business. Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. We primarily render services and avail goods and services in domestic currencies and hence our exposure to currency risk is minimal.

Foreign Currency Risk:

The company’s foreign currency risk arises from its foreign currency revenues & expenses (primarily in US $). The company’s functional currency is Indian Rupees (₹). The company undertakes transactions denominated in foreign currenices; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the company’s revenue from export markets and the costs of imports, primarily in relation to raw materials. The company is exposed to exchange rate risk under its trade portfolio.

Adverse movements in the exchange rate between the rupee and any relevant foreign currency result's in increase in the company's overall debt position in rupee terms without the company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the company's receivables in foreign currency.

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Foreign currency exposures arises from the following:

(i) Transactions with foreign customers

(ii) Foreign currency external commercial borrowing

(iii) Forward contracts used for hedging currency risk.

(iv) Financial instrument where no hedging has taken place.

Foreign Exchange risk Management Policy:

- The company has a structured foreign exchange risk management policy that includes:
- Regular monitoring of foreign currency exposure.
- Use of derivative instruments such as forward contracts to hedge currency risk.
- Periodic review by the management and the board of directors on the risk exposure and mitigation strategies.
- Natural hedging through offsetting foreign currency inflows and outflows wherever possible.

Price Risk

Price risk is the risk of fluctuations in the fair value of financial instruments due to changes in market prices, excluding risks arising from interest rate or currency movements. The Company is primarily exposed to price risk from investments in equity instruments that are measured at fair value.

Exposure to price risk

The company's exposure to price risk arises from:

Investments classified as Fair Value Through Other Comprehensive Income (FVTOCI) or Fair Value Through Profit or Loss (FVTPL).

Market-driven fluctuations in the value of traded securities, raw materials, or other financial assets.

The company is exposed to price risk from its investment in mutual funds, which are classified as Fair Value Through Profit or Loss (FVTPL). The fair value of these investments fluctuates based on changes in market conditions, interest rates and underlying asset performance.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings availed by the Company are subject to interest on fixed rates as these are taken only for the purpose to finance the business and inducting new fleet and such borrowings are repayable on demand. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors.

Inflation Risk

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been 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.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "***Management's Discussion and Analysis of Financial Condition and Results of Operations - SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION***" and the uncertainties described in "***Risk Factors***" on pages 328 and 20, respectively. To our knowledge, except as discussed 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 revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST 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 20, 186 and 328 respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus in the section "***Our Business***" on page 186, we have not announced and do not expect to announce in the near future any new services or business segments.

COMPETITIVE CONDITIONS

We expect to compete with potential competitors. See "***Risk Factors***", "***Industry Overview***" and "***Our Business***" on pages 20, 129 and 186, respectively, for further details on competitive conditions that we may face across our business segments.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not seasonal in nature.

SIGNIFICANT DEPENDENCE ON FEW CUSTOMERS OR SUPPLIERS

We derive a significant portion of our revenues from our top 10 customers. For further details, see "***Risk Factors - Our business is dependent on certain key customers, with our top 10 customers contributing 91.51%, 90.00%, 88.82% and 89.32% of our revenue from operations for the six month period ended September 30, 2025, and in Fiscals 2025, 2024 and 2023, respectively. The loss of, or a significant reduction in orders from, any of these customers could materially and adversely affect our business, financial condition, results of operations and cash flows.***" on page 18. Further, we depend on a limited number of suppliers for our operations. For further details, see "***Risk Factors - A significant portion of our raw material procurement is carried out without long-term binding agreements, which exposes us to uncertainties regarding continuous supply and timely delivery. Any interruption in the availability of raw materials or any disruption, breakdown or shutdown of our suppliers or any instability of our supplier base could adversely impact our operations.***" on page 23.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

There have been no reservations, qualifications and adverse remarks or emphasis of matters highlighted by our Statutory Auditors in their examination report on the Restated Financial Information.

MATERIAL DEVELOPMENTS AFTER SEPTEMBER 30, 2025 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after September 30, 2025, the date of the last financial statements contained in this Draft Red Herring Prospectus, to the date of filing of 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 liabilities within the next 12 months.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no pending litigations involving (i) criminal proceedings (including matters which are at first information report stage where no / some cognizance has been taken by any court) involving our Company, its Promoters and Directors (collectively, "**Relevant Parties**"); (ii) actions by regulatory authorities and statutory authorities against the Relevant Parties, including notices by such authorities and any findings/observations of any of the inspections by SEBI or any other regulatory authority and all penalties and show cause; (iii) outstanding claims and proceedings involving the Relevant Parties, related to direct and indirect taxes, in a consolidated manner, giving the number of cases and total amount involved in such cases; and (iv) other pending litigations (including civil litigation or arbitration proceedings) involving the Relevant Parties which have been determined to be material pursuant to the Materiality Policy (as disclosed hereinbelow); and (v) disciplinary actions including penalty imposed by SEBI or stock exchanges against our Promoters in the last five financial years preceding the date of this Draft Red Herring Prospectus, including outstanding actions. As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.*

Additionally, all outstanding criminal proceedings, including such matters which are at the FIR stage even if no/ some cognizance has been taken by any court or any other judicial authority and all actions (including all penalties and show cause notices) by regulatory and statutory authorities including notices by such authorities involving the key managerial personnel and senior management have also been disclosed below.

*For the purpose of (iv) above, our Board at its meeting held on March 5, 2026 (the "**Materiality Policy**") has considered and adopted a policy of materiality for identification of material litigation / arbitration proceedings. In terms of the Materiality Policy, the following shall be considered 'material litigation' for the purposes of disclosure in this Draft Red Herring Prospectus:*

a) *Any pending litigation including arbitration proceedings, involving the Relevant Parties in which the aggregate monetary claim / amount in dispute / liability involved, whether by or against the Relevant Parties in any such pending proceeding is individually equivalent to or above (a) 2.00% of the turnover, as per the Restated Financial Information for Fiscal 2025; or (b) 2.00% of the net worth, as per the Restated Financial Information for Fiscal 2025; or (c) 5.00% of the average of the absolute value of the profit or loss after tax for the last three Fiscals based on the Restated Financial Information of the Company, whichever is lower. In this instance, the lowest is 2% of the net worth based on the Restated Financial Information for Fiscal 2025 which amounts to ₹ 11.16 million ("**Materiality Threshold**").*

b) *Any pending matters involving the Relevant Parties which are not quantifiable or do not exceed the Monetary Threshold, involving the Relevant Parties, whose outcome, in the opinion of the Board, would materially and adversely affect the Company's business, prospects, performance, operations, financial position, reputation or cash flows or the decision in such a proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the Monetary Threshold, even though the amount involved in an individual proceeding does not exceed the threshold; or*

c) *Any outstanding findings or observations arising out of any of the inspections by the SEBI or by any other regulator in or outside India, which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.*

d) *In the event any tax matters involve an amount exceeding the Monetary Threshold proposed in (a) above, in relation to the Relevant Parties, individual disclosures of such tax matters will be included in addition to the requirements set out in (iii) above.*

Further, as per the requirements of the SEBI ICDR Regulations, the Company shall also disclose such outstanding litigations involving the Group Company, as identified in accordance with provisions of SEBI ICDR Regulations which has a material impact on the Company. Any pending litigation involving the Group Company would be considered to have a 'material impact' on the Company for the purpose of disclosure in this DRHP, if an adverse outcome from such pending litigation would materially and adversely affect the business, prospects, operations, performance, financial position or reputation of the Company.

For the purpose of this Policy, any pre-litigation notices received by the Relevant Parties, key managerial personnel, senior management personnel or Group Company from third parties (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial, taxation authorities, police complaints or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as litigation and evaluated for materiality, until such time that Relevant Parties or key managerial personnel, senior management personnel are impleaded as defendants or respondents in litigation proceedings before any judicial/arbitral forum.

In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds or is equivalent to 5% of the total trade payables of our Company for the most recent financial period covered in the Restated

*Financial Information, shall be considered as 'material' (and such creditor, a "**Material Creditor**"). Accordingly, for the six month period ending September 30, 2025, any creditor with outstanding dues exceeding or equivalent to ₹37.74 million has been considered as 'material' for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure is based on information available with our Company regarding status of the creditor as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

All terms defined in a particular litigation disclosure below correspond to that particular litigation only.

I. Litigation involving our Company

Litigation against our Company

Criminal proceedings

Nil

Actions taken by regulatory or statutory authorities

Our Company and our Promoter, Gopal Krishan Kothari had received email communications dated February 2, 2022, from the Investigating Authority ("**IA**") appointed by SEBI seeking information relating to futures trades executed by our Company in the scrip of Vedanta Limited during May 2020. The requisite information was submitted by our Company and our Promoter via emails dated February 9, 2022. Subsequently, our Promoter was in receipt of summons from the IA dated March 7, 2022, requiring his appearance before the IA in connection with the ongoing investigation into the trading activities of certain entities in the scrip of Vedanta Limited. Pursuant thereto, our Promoter appeared before the IA at the Chandigarh office of SEBI. There has been no further communication from the IA to either our Company or our Promoter thereafter.

Material civil litigation

M/s. Quick Sort Traders (the "Claimant") had initiated arbitration proceedings before the sole arbitrator, Hon'ble Mr. Justice T. Ravindran (the "Ld. Sole Arbitrator"), against our Company claiming, *inter alia*, a sum of ₹ 75.50 million which the Claimant alleged to have paid our Company as a part of the consideration for purchase of land at plot numbers 517/1C, 713, 718, 717/1 and 714 of Poonam Palli Village, Hosur Taluk, Krishnagiri District, Tamil Nadu pursuant to a Memorandum of Understanding dated July 26, 2023 ("MoU"). Pursuant to the award dated March 13, 2026 passed by the Ld. Sole Arbitrator our Company has been directed to pay a sum of ₹ 8.00 million as refund of the part consideration paid by the Claimant in terms of the MoU, within a period of three months from the date of the award, failing which our Company shall be liable to pay interest at the rate of 6% per annum from the date of termination of the MoU until the date of realization. As on the date of this Draft Red Herring Prospectus, the said amount is yet to be paid by our Company.

Inspections by SEBI or any other regulator

As on the date of this Draft Red Herring Prospectus, there are no findings or observations arising out of any of the inspections by the SEBI or by any other regulator in or outside India, which are outstanding, which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.

Litigation by our Company

Criminal proceedings

Our Company has on January 11, 2019 filed a complaint under Section 138 of the Negotiable Instruments Act, 1881 before the Court of Judicial Magistrate First Class, Ludhiana, Punjab against Skanda Machine Tools Private Limited and others, in relation to dishonour of a cheque dated October 18, 2018 for a sum of ₹ 2.47 million. Subsequently, Skanda Machine Tools Private Limited has on August 11, 2023, filed a petition under Section 482 of the Criminal Procedure Code, 1973 before the Hon'ble High Court of Punjab and Haryana seeking quashing of the aforesaid proceedings on the grounds of prior settlement of the dishonoured cheque. The matter is currently pending.

Material civil litigation

Nil

II. Litigation involving our Promoters

Litigation against our Promoters

Criminal litigation

Pursuant to a private complaint made by Arun Kumar B.S. ("Complainant") before the Hon'ble 8th Additional Chief Metropolitan Magistrate Court, Bangalore, Karnataka a First Information Report ("F.I.R") bearing number 0301/2025 was lodged by R.T. Nagar Police Station, Bangalore, Karnataka against our Promoter, Gopal Krishan Kothari, our Whole Time Director, Naveen Behl and certain other persons (collectively, "Accused") alleging commissioning of offence by them under Sections 3(5), 318(4), 61(2), 336(3), 340(2), 336(2) of the Bharatiya Nyaya Sanhita, 2023 for misappropriation of ₹3.00 million that was allegedly paid by the Complainant to the Accused as an advance for the purchase of land situated at plot numbers 517/1C, 713, 718, 717/1, and 714 in Poonam Palli Village, Hosur Taluk, Krishnagiri District, Tamil Nadu. Subsequently, the Accused have filed an application under Section 482 of the Bharatiya Nagrik Suraksha Sanhita, 2023 before the learned LVI Additional City Civil and Sessions Judge, Bengaluru for seeking anticipatory bail in the matter. By an order dated January 24, 2026 passed by the FLVI Addl. City Civil and Sessions Judge, Bangalore, the Hon'ble Court has allowed the said anticipatory bail application. The matter is currently pending.

Actions taken by regulatory and statutory authorities

Other than as disclosed under "***- Litigation against our Company - Actions taken by regulatory and statutory authorities***" on page 358, there are no actions taken by regulatory or statutory authorities against our Promoters as on the date of this Draft Red Herring Prospectus.

Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Fiscals

Nil

Material civil litigation

Nil

Litigation by our Promoters

Criminal proceedings

Nil

Material civil litigation

Nil

III. Litigation involving our Directors

Litigation against our Directors

Criminal litigation

Other than as disclosed under "***- Litigation against our Promoters – Criminal Litigation***" on page 358 and as disclosed below, there are no criminal proceedings against our Directors as on the date of this Draft Red Herring Prospectus:

Pursuant to a complaint filed by Ramneek Kooner, a First Information Report ("**FIR**") bearing number 0194/2020 dated October 15, 2020 has been registered by Police Commissionerate at P.S Sarabha Nagar, Ludhiana, Punjab under Sections 306, 120-B and 34 of the Indian Penal Code, 1860 against one of our Independent Directors, Pankaj Periwal and certain other persons alleging abetment in the suicide of the complainant's father (Surinder Singh Kooner) on October 9, 2020. The matter is currently pending.

Actions taken by regulatory and statutory authorities

Other than as disclosed under "***- Litigation against our Company - Actions taken by regulatory and statutory authorities***" on page 358, there are no actions taken by regulatory or statutory authorities against our Directors as on the date of this Draft Red Herring Prospectus.

Material civil litigation

Nil

Litigation by our Directors

Criminal proceedings

Nil

Material civil litigation

Nil

IV. Litigation involving our Key Managerial Personnel and the Senior Management Personnel

Litigation against our Key Managerial Personnel and the Senior Management Personnel

Criminal Proceedings

Other than as disclosed under "***- Litigation against our Company – Criminal Litigation***" on page 357, there are no criminal proceedings against our Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus. *Actions taken by regulatory and statutory authorities*

Other than as disclosed under "***- Litigation against our Company – Actions taken by regulatory and statutory authorities***" on page 358, there are no actions taken by regulatory or statutory authorities against our Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus.

Litigation by our Key Managerial Personnel and Senior Management Personnel

Criminal Proceedings

Nil

V. Litigations involving our Group Company which may have a material impact on our Company

Nil

VI. Tax Litigation

Except as disclosed below, there are no outstanding tax proceedings involving claims related to direct and indirect taxes involving our Company, its Directors and Promoters as on the date of the filing of the Draft Red Herring Prospectus.

Nature of case	Number of cases	Amount involved (₹ in million)*
Our Company		
Direct tax	3	2.79
Indirect tax	1	0.08
Promoters		
Direct tax	1	0.14
Indirect tax	NIL	NIL
Directors (Other than Promoters)		
Direct tax	1	9.78
Indirect tax	NIL	NIL

**To the extent quantifiable.*

Material Tax Proceedings

Nil

Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company has been considered 'material' if the amounts due to such creditor exceed 5% of the total trade payables of our Company as at September 30, 2025 (i.e., to whom our Company owes an amount having a monetary value exceeding an amount of ₹ 37.74 million as at September 30, 2025).

Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination, as at September 30, 2025, are disclosed below:

Type of creditors	Number of cases	Amount involved (₹ in million)*
Dues to MSME#	183	134.26
Dues to material creditors	2	207.06
Dues to other creditors	476	413.44
Total	**661**	**754.76**

* *As certified by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, by way of their certificate dated March 30, 2026.*

\# *As defined under the Micro, Small and Medium Enterprises Development Act, 2006.*

The details pertaining to outstanding dues to the material creditors, along with names and amounts involved for each such Material Creditor are available on the website of our Company at www.kayjayforgings.com.

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, www.kayjayforgings.com would be doing so at their own risk.

Material Developments

Except as disclosed in "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Material Developments after September 30, 2025 that may affect our future results of operations***" on page 328, respectively, and in this Draft Red Herring Prospectus, 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 taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER MATERIAL APPROVALS

Set out below a list of licenses, registrations, permissions and approvals issued by relevant governmental and regulatory authorities required to be obtained by our Company which is considered material and necessary for the purposes of undertaking their respective business activities and operations and except as mentioned below, no further material approvals are required to carry on our present business activities. We have also set out below, material approvals or renewals applied for but not received in respect of our Company, as on the date of this Draft Red Herring Prospectus. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with the applicable procedures and requirements. Pursuant to change in name of our Company upon conversion from a private to a public limited company, our Company is in the process of changing our name as it appears on various approvals and licenses. For details of risks associated with not obtaining or delay in obtaining the requisite approvals, see "***Risk Factors – We require certain licenses, permits and approvals in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations***" *on page 35 of the Draft Red Herring Prospectus.*

For further details, in connection with the regulatory and legal framework within which we operate see the sections titled "***Risk Factors***" and "***Key Industry Regulations and Policies***" on pages 20 and 214, respectively.

I. Approvals in Relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer***" on page 364.

II. Approvals obtained in relation to our Company

Our Company requires various approvals issued by central and state authorities under various rules and regulations to carry on its business and operations in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with the applicable procedures and requirements. Our Company has received the following material approvals pertaining to its respective business and operations:

A. Material approvals in relation to Incorporation

1. Certificate of incorporation dated August 5, 1983, issued to our Company, by the RoC Punjab, H.P & Chandigarh at Jalandhar in its former name being Kay Jay Forgings Private Limited.

2. Certificate of registration of the order of company law board dated September 22, 1987, issued by the RoC Delhi & Haryana to our Company confirming shifting of the registered office from one state to another.

3. Fresh certificate of incorporation dated December 19, 2024, issued by the RoC Central Processing Centre, Manesar upon conversion of our Company from a private limited company to a public limited company in the name of 'Kay Jay Forgings Limited'.

4. The Corporate Identity Number of our Company is U74899DL1983PLC029298

B. Tax related material approvals

1. The permanent account number of our Company is AAACK0878P;

2. The tax deduction account number of our Company is JLDK00598D;

3. Our Company has obtained GST registration for payment under the central and state goods and service tax legislations for the state of Punjab, Tamil Nadu, Gujarat, Haryana, Karnataka and Rajasthan; and

4. Our Company has obtained professional tax registration under the applicable state legislations.

C. Material labour/employment related approvals

1. Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 issued by the Employees' Provident Fund Organisation; and

2. Registration certificate under the Employees' State Insurance Act, 1948, issued by the Sub-Regional Office, Employees' State Insurance Corporation.

D. Material approvals in relation to our business and operations

The Importer-Exporter Code number 3002000230 has been granted to us by the Office of the Additional Director General of Foreign Trade.

E. **Material Approvals obtained in relation to our manufacturing facilities**

(i) **Facility I**

1. Factory license issued by Directorate of Industrial Safety and Health, under the Factories Act, 1948;
2. Consent to operate, issued by Punjab Pollution Control Board under the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981;
3. Authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; and
4. Fire Safety Certificate from the fire department.

(ii) **Facility II**

1. Factory license issued by Directorate of Industrial Safety and Health, under the Factories Act, 1948;
2. Consent to operate, issued by Tamil Nadu Pollution Control Board under the Water (Prevention and Control of Pollution) Act,1974, the Air (Prevention and Control of Pollution) Act, 1981
3. Authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; and
4. Fire License from the fire department.

(iii) **Facility III**

1. Factory license issued by Directorate of Industrial Safety and Health, under the Factories Act, 1948;
2. Consent to operate, issued by Punjab Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981;
3. Authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; and
4. Fire Safety Certificate from the fire department.

(iv) **Facility IV**

1. Factory license issued by Directorate of Industrial Safety and Health, under the Factories Act, 1948;
2. Consent to operate, issued by Punjab Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981;
3. Authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; and
4. Fire Safety Certificate from the fire department.

(v) **Facility V**

1. Factory license issued by Directorate of Industrial Safety and Health, under the Factories Act, 1948;
2. Consent to operate, issued by Tamil Nadu Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981; and
3. Authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; and
4. Fire License from fire department.

(vi) **Facility VI**

1. Factory license issued by Directorate of Industrial Safety and Health, under the Factories Act, 1948;
2. Consent to operate, issued by Punjab Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981;

3. Authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; and

4. Fire Safety Certificate from the fire department.

III. Material approvals applied for but not yet received:

1. Application for amendment to Consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981 for Facility III; and

2. Application for Consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981 for the Proposed Forging Facility.

IV. Material Approvals required but not obtained or applied for:

Nil

V. Material Approvals expired and renewal to be applied for:

Nil

VI. Intellectual Property related approvals

As on the date of this DRHP, our Company has made applications for registration of its trademark in India (i) device under class 12 and (ii) wordmark under class 35.

For further details, see *"**Our Business - Intellectual Property** "* on page 213 and for risks associated with our intellectual property, see "***Risk Factors - We have applied for the registration of our corporate name and logo under the Trade Marks Act, 1999, and these applications are currently pending. If we are unable to obtain registration, or if third parties infringe upon our intellectual property, we may be unable to effectively protect our brand identity."*** on page 49.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate approvals

- Our Board has authorized the Offer pursuant to a resolution dated March 5, 2026.
- Our Shareholders have authorized the Fresh Issue, pursuant to a special resolution passed at their general meeting held on March 6, 2026.
- Our Board has taken on record the consent and authorization of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated March 5, 2026.
- This Draft Red Herring Prospectus and Draft Abridged Prospectus has been approved pursuant to resolution passed by our Board on March 30, 2026.

Approvals from the Selling Shareholders

Each of the Selling Shareholders has, severally and not jointly, confirmed and authorised the transfer of their respective portion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Name of the Selling Shareholders	Date of Consent Letter	Maximum number of offered shares / Aggregate amount of Offer for Sale (₹ in million)
Gopal Krishan Kothari	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 520.00 million
Amit Kothari	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million
Madhu Kothari	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 30.00 million
G K Kothari & Sons	March 5, 2026	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ 20.00 million

Each Selling Shareholder specifically confirms that, as required under Regulation 8 of the SEBI ICDR Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus, where such Equity Shares have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, our Company confirms that such bonus issue was not and shall not be undertaken by capitalizing or by utilization of its revaluation reserves or unrealized profits.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other governmental authorities

Our Company, Promoters, members of our Promoter Group, our Directors, or persons in control of our Company and each of the Selling Shareholders 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 or court as on the date of the Draft Red Herring Prospectus.

None of the companies with which our Promoters and Directors are associated with as promoters or directors have been debarred from accessing capital markets under any order or direction passed by the SEBI or any other authorities. Our Company, Promoters, members of the Promoter Group, or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers. Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of our Promoter Group and the Selling Shareholders, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the securities market

As of the date of this Draft Red Herring Prospectus, none of our Directors are associated with the securities market in any manner. Further, no outstanding action has been initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus or any other entity with which our Directors are associated as promoters or directors

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, calculated in accordance with the Restated Financial Information 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 Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, 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 Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10.00 million in each of the preceding three full Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, calculated on a restated basis; and

- Our Company has not changed its name in the last one year prior to the date of this DRHP.

Our Company's net tangible assets, operating profit, net worth, monetary assets, as restated, as derived from the Restated Financial Information, as at and for the Fiscals 2025, 2024 and 2023, is set forth below:

Derived from the Restated Financial Statements

(₹ in million)

	Financial year ended March 31, 2025	Financial year ended March 31, 2024	Financial year ended March 31, 2023
Restated Net Tangible Assets [(1)]	1,600.11	1,320.78	1,094.51
Restated Operating Profit [(2)]	485.01	404.38	287.42
Average operating profits [(3)]	392.26		
Net Worth, as restated [(4)]	1,628.71	1,341.72	1,104.44
Monetary assets, as restated [(5)]	74.34	247.14	190.34
Monetary assets as a percentage of Net tangible assets (in %), as restated	4.64	18.71	17.39

[(1)] *Net tangible assets' means the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 and excluding Prepaid expenses and Right of Use Assets as defined in Ind-AS 116 issued by Institute of Chartered Accountants of India.*

[(2)] *'Operating Profit' has been calculated as profit before tax add finance cost and less other income.*

[(3)] *'Average Operating Profit' is computed as the sum of operating profit for the last three years and divided by the number of years.*

[(4)] *'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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

[(5)] *'Monetary assets' is the aggregate of cash in hand and balance with banks (comprising of current accounts and cash credit accounts including margin money as per the Restated Financial Information.)*

We are currently eligible to undertake in the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in terms of Regulation 32(1) of the SEBI ICDR Regulations we are required to allocate: (i) not more than 50% of the Net Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively; (ii) not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders of which one-third shall 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 shall be available for allocation to Bidders with an application size of more than ₹ 1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion; and (iii) not less than 35% of the Net Offer shall be available for allocation to RIBs, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the entire application money shall be refunded to the bidders.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be unblocked/ refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.

Further, our Company confirms that it is eligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulations 5 and 7(1) of the SEBI ICDR Regulations:

(a) neither our Company, nor our Promoters, the members of our Promoter Group, or our Directors, or the Selling Shareholders are debarred from accessing the capital markets by SEBI;

(b) none of our Promoters or Directors are promoters or directors of any other company which is debarred from accessing capital markets by SEBI;

(c) neither our Company, nor our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower;

(d) none of our Promoters and our Directors are declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(e) there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus;

(f) Our Company, along with the Registrar to the Offer, has entered into the tripartite agreements dated January 16, 2025 and March 6, 2025 with NSDL and CDSL respectively, for dematerialization of Equity Shares;

(g) the Equity Shares of our Company held by our Promoters are in the dematerialised form;

(h) all the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and

(i) As the Net Proceeds will not be utilized for financing a specific project, the requirement to make firm arrangement of finance through verifiable means towards at least 75% of the stated means of finance is not applicable to the Offer.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The Selling Shareholder confirms that it has held the Offered Shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE 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 BOOK RUNNING LEAD MANAGER, BEING PL CAPITAL MARKETS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. 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 THE 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, SEVERALLY AND NOT JOINTLY, WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THEIR RESPECTIVE PORTION OF OFFERED SHARES. THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND EACH OF THE SELLING SHAREHOLDERS, TO THE EXTENT OF THEIR RESPECTIVE OFFERED SHARES IN THE OFFER, DISCHARGES THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, BEING PL CAPITAL MARKETS PRIVATE LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2026, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED 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 BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing this Draft Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors, our Promoters, and the Book Running Lead Manager

Our Company, our Directors, our Promoters, and the BRLM 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.kayjayforgings.com or the respective websites of any affiliate of our Company or of any of the Selling Shareholders, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information to the extent required in relation to the Offer shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company nor any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions form the Sponsor Bank(s) on account of any errors, omissions or non-compliance by various parties involved in or any other fault, malfunctioning or breakdown in, or otherwise in the UPI Mechanism.

Bidders who Bid in the Offer will be required to confirm and would be deemed to have represented to our Company, Underwriters, and their respective directors, partners, designated partners, trustees, officers, employees, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not Offer, sell, pledge, or transfer the Equity Shares 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 and their respective directors, partners, designated partners, trustees, officers, employees, 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 BRLM 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, its Associates, Group Company, and their respective directors and officers, group companies, affiliates or associates 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, our Promoters, its Group Company, and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer from the Selling Shareholders

Neither the Selling Shareholders nor their respective directors, affiliates, partners, trustees, associates, officers and representatives, either severally or jointly, accept any responsibility for statements made or undertaking provided otherwise than in this Draft Red Herring Prospectus (only to the extent of those statements expressly confirmed by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to themselves and their respective portion of the Offered Shares) 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.kayjayforgings.com, or the respective websites of any affiliate of our Company or the respective website of the BRLM or the respective websites any of the Selling Shareholders would be doing so at his or her own risk.

Each of the Selling Shareholders and their respective directors, affiliates, partners, trustees, associates, officers and representative, neither severally nor jointly, accept any responsibility for any statements made or undertakings provided in this Draft Red Herring Prospectus other than those specifically made or confirmed by such Selling Shareholder in relation to itself as a Selling Shareholder and/or with respect to their portion of the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to each of the Selling Shareholders and/or their respective directors, partners, designated partners, trustees, associates, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Each of the Selling Shareholders and/or their respective directors, partners, designated partners, trustees, associates, 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.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India, only.

The Offer is being made in India to persons resident in India (including Indian nationals 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, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important Non-Banking Financial Companies ("**NBFCs**") or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority of India ("**IRDAI**"), permitted provident funds (subject to applicable law) and permitted 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, Government of India ("**GoI**") and permitted Non-Residents including Foreign Portfolio Investors ("**FPIs**") and Eligible NRIs, Alternate Investment Funds ("**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 constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Invitations to subscribe to or purchase the Equity Shares 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. 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 person outside India is eligible to Bid for Equity Shares 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.

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 this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, 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 or Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and transfer restrictions

No person outside India is eligible to Bid for Equity Shares 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.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act and shall not be offered or sold within the United States or any state securities laws in 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 are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur. The Equity Shares 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.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares 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 or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, offered against the Equity Shares or any similar security, other than in accordance with applicable laws.

The Equity Shares 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.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Disclaimer clause of the BSE Limited

As required, a copy of this Draft Red Herring Prospectus along with the Draft Abridged Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the 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 the National Stock Exchange of India Limited

As required, a copy of this Draft Red Herring Prospectus along with the Draft Abridged Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the 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 proposed to be Allotted pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for the listing and trading of the Equity Shares being offered and [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds as required under the Companies Act, 2013 and any other applicable law will be reimbursed by such Selling Shareholder as agreed among our Company and the Selling Shareholders in writing, in proportion to their respective portion of the Offered Shares. Provided that no Selling Shareholder shall be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder and such liability shall be limited to the extent of their respective Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI. Each of the Selling Shareholders, severally and not jointly, shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to their respective portion of the Offered Shares, in accordance with applicable law, to facilitate the process of listing the Equity Shares on the Stock Exchanges.

If our Company does not allot Equity Shares pursuant to the Offer within three Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by the 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 as may be prescribed by the SEBI.

Consents

Consents in writing of: (a) each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Statutory Auditors, the legal counsel to the Offer as to Indian Law, the bankers to our Company, industry report provider CARE, project report provider RBSA Advisors LLP, independent chartered engineer, practicing company secretary, the BRLM and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank, Refund Bank and Monitoring Agency 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. Further, such consents obtained under (a) have not been withdrawn up to the date of this Draft Red Herring Prospectus.

Experts to the Offer

Our Company has received written consent letter dated March 30, 2026 from our Statutory Auditors, namely M/s. Goyal Sanjay & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (5) of the Companies Act, read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated March 5, 2026 relating to the Restated Financial Information as at and for the six month period ended September 30, 2025 and Fiscals ended March 31, 2025, 2024 and 2023; (ii) the statement of tax benefits dated March 30, 2026; and (iii) certificates issued by them in relation to the Offer and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026, from Deepankar Sharma, Independent Chartered Engineer, to include his name in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated March 30, 2026 certifying details in relation to the manufacturing capacity and utilisation at our manufacturing facilities pertaining to our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026 from M/s H. S. Nijher & Associates practising company secretary, 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, Red Herring Prospectus and the Prospectus and as an 'Expert' as defined under Section 2(38) of Companies Act, 2013 in his/her capacity as a practising company secretary, with respect to the information in their search report dated March 30, 2026, certifying, *inter alia*, non-traceable corporate records of our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026, from RBSA Advisors LLP, Independent Consultant, 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, Red Herring Prospectus and the Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, dated March 30, 2026, in relation to their project report, 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 the U.S. Securities Act.

Particulars regarding public or rights issues during the last five years

Our Company has not undertaken any public issue or any rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering 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 during the five years preceding the date of this Draft Red Herring Prospectus.

Capital issues in the preceding three years by our Company and our listed group companies

Except as disclosed in "***Capital Structure – Notes to Capital Structure***" on page 78, our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, we do not have a listed Group Company.

Performance vis-à-vis objects – public/rights issue of our Company

Our Company has not undertaken any public issue or any rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects - public/rights issue of any listed subsidiary/listed Promoters of our Company

As on the date of this Draft Red Herring Prospectus, we do not have any subsidiary or corporate promoter.

Price information of past issues handled by the Book Running Manager

PL Capital Markets Private Limited

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by PL Capital Markets Private Limited:*

Sr. No.	Issue Name	Issue Size (₹ in million)	Issue price	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.	Gala Precision Engineering Limited(1)	1,679.27	529.00	September 9, 2024	750.00	48.89% [+0.09%]	86.92% [-0.06%]	61.68% [-8.86%]
2.	Laxmi India Finance Limited (2)	2,542.57	158.00	August 5, 2025	137.52	00.13% [+0.27%]	-3.92% [4.35%]	-41.76% [2.72%]
3.	Jain Resource Recycling Limited(2)	12,500.00	232.00	October 1, 2025	265.05	71.37% [+5.11%]	69.48% [5.37%]	99.98% [-7.31%]

Source: www.nseindia.com

(1) BSE as Designated Stock Exchange
(2) NSE as Designated Stock Exchange.
Notes:

- *Issue size derived from Prospectus/final post issue reports, as available.*
- *The NIFTY 50 and BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
- *Price on NSE and BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
- *In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.*
- *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by PL Capital Markets Private Limited:

Financial year	Total no. of IPO*	Total funds Raised (₹ in million)	Nos of IPOs trading at discount on 30th Calendar Day from listing date			Nos of IPOs trading at premium on 30th Calendar Day from listing date			Nos of IPOs trading at discount on 180th Calendar Day from listing date			Nos of IPOs trading at premium 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%
Main Board														
FY 2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2024-25	1	1,679.27	-	-	-	-	1	-	-	-	-	1	-	-
FY 2025-26	2	15,042.57	-	-	-	1	-	1	-	1	-	-	-	-

Track record of past issues handled by the BRLM

For details regarding the track record of the Book Running Lead Manager, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012, issued by SEBI, please see the website of the Book Running Lead Manager, as set forth in the table below:

S. No.	Name of the BRLM	Website
1.	PL Capital Markets Private Limited	www.plindia.com

Stock market data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares 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

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as prescribed under the applicable laws, 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 the Self Certified Syndicate Banks ("**SCSBs**") for addressing any clarifications or grievances of ASBA Bidders.

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 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 BRLM, in the manner provided below.

All Offer related grievances, other than of Anchor Investors in relation to the bidding process, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, Unified Payments Interface Identity ("**UPI ID**"), Permanent Account Number ("**PAN**"), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer

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 applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The SEBI ICDR Master Circular streamlines the process to 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.

In terms of SEBI ICDR Master Circular and subject to applicable law, 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. 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% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, 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.

Separately, in accordance with the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/ withdrawn/ deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original Bid Amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non–Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

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 BRLM shall be liable to compensate the investor by ₹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.

Our Company, the BRLM, each of the Selling Shareholders, severally and not jointly, 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 SEBI ICDR Regulations.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

Disposal of investor grievances by our Company

Our Company shall obtain authentication on the SCORES platform and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 read with the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/156) dated September 20, 2023 and the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2023/183) dated December 1, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has constituted Stakeholders' Relationship Committee to review and redress the shareholders' and investors' grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares, the grievances of the security holders of our Company. For further details, see "***Our Management – Stakeholders' Relationship Committee***" on page 234. Our Company has also appointed Amit Verma, as the Company Secretary and Compliance Officer. For further details, see "***General Information – Our Company Secretary and Compliance Officer***" on page 70. Each of the Selling Shareholders, severally and not jointly, have authorised the Company Secretary and Compliance Officer and the Registrar to the Offer to redress any complaints received from Bidders solely to the extent of the statements specifically made, confirmed or undertaken by them in the Offer Documents in respect of themselves and their respective Offered Shares.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSBs in case of ASBA bidders for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on 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.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by Securities and Exchange Board of India

Our Company has not sought any exemption from complying with any provisions of securities laws as on the date of this Draft Red Herring Prospectus.

Observations by regulatory authorities

There are no findings or observations pursuant to any inspections by SEBI or any other regulatory authority in India which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of Bidders in the Offer.

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.

Except as disclosed in "***Our Management – Interest of Directors***" on page 228 there are no conflicts of interest between our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, and Group Company and any lessors/ owners of immovable properties (who are crucial for operations of the Company).

While there are no conflicts of interest between our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, and Group Company and any suppliers of raw materials and third-party service providers (who are crucial for operations of the Company), we rely on certain entities, namely (i) Shaheed N. Tundup Sewamedal Auto Care, (ii) Micro Coaters and (iii) M/s Kothari Exports INC, our Promoter Group entity, to provide us with power and fuel, job workers and transportation services, respectively.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Offered, and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Draft Abridged Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in other documents/ certificates that may be executed in respect of this Offer. The Equity Shares each shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities, issued from time to time, by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other governmental, statutory, or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. For details in relation to the sharing of Offer expenses amongst our Company, see "***Objects of the Offer – Offer Related Expenses***" on page 108.

Ranking of the Equity Shares

The Equity Shares being offered and allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits if any declared by the Company. The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment, as per the applicable law. For further details, see "***Description of Equity Shares and Main Provisions of the Articles of Association***" on page 410.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the MoA and AoA, dividend distribution policy of our Company, and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the GoI in this regard. Dividends, if any, declared by our Company after the date of the Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details in relation to dividends, see "***Dividend Policy***" and "***Description of Equity Shares and Main Provisions of the Articles of Association***" at pages 245 and 410.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹5 each and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band (including Employee Discount, if any) and the minimum Bid Lot size for the Offer will be decided by our Company, in consultation with the BRLM, and published and advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), along 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 the same on their websites. The Price Band (including Employee Discount, if any), 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 on the respective websites of the Stock Exchanges. The Offer Price and discount (if any) shall be determined by our Company, in consultation with BRLM, after the Bid/Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares, unless otherwise permitted by law.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure 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 the AoA, our equity 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 to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, the AoA of our Company and any other applicable laws.

For a detailed description of the main provisions of the AoA 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 the Articles of Association***" at page 410.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares each shall only be in dematerialized form on the Stock Exchanges. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated January 16, 2025 amongst our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement dated March 6, 2025 amongst our Company, CDSL and Registrar to the Offer.

For details in relation to the Basis of Allotment, see "***Offer Procedure***" on page 386.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment of Equity Shares in the Offer will be only in electronic form in multiples of [●] Equity Share, subject to a minimum Allotment of [●] Equity Shares. For further details, see "***Offer Procedure***" on page 386.

Employee Discount

Employee Discount, if any, may be offered to Eligible Employees bidding in the Employee Reservation Portion at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on, Bid Amount net of Employee Discount, if any, if any, as applicable at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

Joint Holders

Subject to the provisions of the AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, India.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 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 one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee, is entitled to the Equity Shares 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 varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination by giving notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nominations can be made only on the prescribed form available on request at our Registered Office or with the Registrar and Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 as mentioned above, shall upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or

- 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 monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder will prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Options to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of allotment of the Equity Shares in physical form. The Equity Shares on allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Period of operation of subscription list

Bid/ Offer Programme

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
BID/ OFFER OPENS ON	[●](1)
BID/OFFER CLOSES ON	[●](2)(3)
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 Equity Shares to dematerialised accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

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

(2) *Our Company may, in consultation with the BRLM, consider closing the Bid/ Offer Period for QIBs one day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be at 5:00 p.m IST on Bid/Offer Closing Date [●].*

* *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/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), 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; (iii) 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; (iv) 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 responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular and SEBI RTA Master Circular. which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*
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 ICDR Master Circular and SEBI RTA Master Circular.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, or any of the Selling Shareholders, or the BRLM.

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 on the Stock Exchanges are taken within [●] Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, with reasonable support and co-operation of each of the Selling Shareholders, as may be required in respect of their respective portion of the Offered Shares, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLM, revision of the Price Band by our Company, in consultation with the BRLM, or any delay in receiving the final listing and trading approval from the Stock Exchanges and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend commercially reasonable co-operation to our Company, as may be required solely in relation to their respective Offered Shares, in accordance with applicable law, to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such time as prescribed by SEBI. The Offer procedure is subject to change based on any revised SEBI circulars to this effect.

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 BRLM and the Registrar to the Offer on a daily basis in accordance with the SEBI ICDR Master Circular read with SEBI RTA Master Circular.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had reduced the post Offer timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such period three Working days as may be 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.

The Equity Shares 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 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 Offer and sales are made. The Equity Shares 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.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post Offer timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Offer procedure is subject to change to 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 RIBs other than QIBs and NIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission of electronic applications (Syndicate Non-Retail, Non- Individual Applications of QIBs and NIIs)	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 where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST

Modification/Revision/cancelled 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 shall be 5:00 p.m. on the Bid/ Offer Closing Date on [●].*

\# *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSB's on 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 SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and RTA on a daily basis in accordance with the SEBI RTA Master Circular. 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 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.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and NIBs, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received from RIBs and Eligible Employees in the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

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.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, 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. IST 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, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Monday to Friday during the Bid/ Offer Period and not accepted on public holidays. 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. 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. None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the BRLM, reserves 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 [●] on either side, i.e. the Floor Price can move up or down to the extent of [●] of the Floor Price and the Cap Price will be revised accordingly but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least [●] of the Floor Price and less than or equal to [●] of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period will be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not

exceeding 10 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 public announcement, and also by indicating the change on the respective website of the BRLM and at the terminals of the Syndicate Members and by intimation to SCSBs, the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis 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. The floor price shall not be less than the face value of the Equity Shares which is ₹ 5 each.

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.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer for Sale in accordance with the SEBI ICDR Regulations. In the event our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue, on the Bid/ Offer Closing Date; or (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, if any, in accordance with applicable law, within (60) days from the date of Bid Closing Date or if the subscription level falls below the thresholds mentioned above after the Bid/ Offer Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being Offered under the Draft Red Herring Prospectus, our Company, to the extent applicable, shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular. If there is a delay beyond two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. It is clarified that each of the Selling Shareholders shall, severally and not jointly, 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 any Selling Shareholder 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 such Selling Shareholder.

In the event of undersubscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made in the following order: (i) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed; (ii) upon achieving (i) above, all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Selling Shareholder); and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by the Company towards the balance 10% of the Fresh Issue portion.

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 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. In case of delay, if any, in unblocking the ASBA Accounts within such a timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of Odd Lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed. Our Company and the Selling Shareholders, in consultation with the BRLM, reserves the right not to proceed with the Offer, in whole or in part thereof, after Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre- Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly on which the Equity Shares are proposed to be listed. The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. In terms of the UPI Circulars, in relation to the Offer, the BRLM will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

If our Company in consultation with the Book Running Lead Manager withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an Offer of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC.

Restrictions, if any, on Transfer and Transmission of Equity Shares

Except for lock-in of the pre- Offer capital of our Company, lock-in of our Minimum Promoters' Contribution and the Anchor Investor lock-in as provided in "***Capital Structure***" on page 77 and under SEBI ICDR Regulations, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see "***Description of Equity Shares and Main Provisions of the Articles of Association***" on page 410.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] each per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,000.00 million and an Offer for Sale of up to [●] Equity Shares of face value of ₹[●] each, aggregating up to ₹ 600.00 million by the Selling Shareholders. For details, see "***The Offer***" on page 61.

The Offer may comprise of a Net Offer of up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million and Employee Reservation Portion of up to [●] Equity Shares of face value ₹ 5 each aggregating up to ₹ [●] million. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital.

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

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, as may be permitted under the applicable law, aggregating up to ₹400.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the equity shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety) and as may be required under applicable law. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

Particulars	Eligible Employees	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation[(2)]	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and RIBs.	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Offer Size available for Allotment/allocation	The Employee Reservation portion shall constitute up to [●] % of the post-Offer paid-up Equity Share capital of our Company.	Not more than 50% of the Net Offer shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion shall be available for allocation on a proportionate basis 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 added to the Net QIB Portion.	Not less than 15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation, out of which: (i) One third of the Non-Institutional Portion 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 Non-Institutional Portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either the sub-categories mentioned above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not less than 35% of the Net Offer or the Offer less allocation to QIB Bidders and Non- Institutional Bidders will be available for allocation.

Particulars	Eligible Employees	QIBs [1]	Non-Institutional Bidders	Retail Individual Bidders
			Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	
Basis of Allotment/ allocation if respective categories are oversubscribed*	Proportionate# unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employees shall not exceed ₹ 0.20 million. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportion basis, to Eligible Employee for a value exceeding ₹ 0.20 million, subject to total Allotment to an Eligible Employee not exceeding ₹ 0.50 million.	Proportionate as follows (excluding the Anchor Investor Portion): a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above; and c) Up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67%of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, In accordance with the SEBI ICDR Regulations.	The Allotment to each Non-Institutional Bidder shall not be less than the minimum Bid Lot, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis, subject to a) One-third of the Non-Institutional Portion will be available for allocation to applicants with an application size exceeding ₹0.20 million and up to ₹1.00 million; and b) Two-thirds of the Non-Institutional Portion will be available for allocation to applicants with an application size of more than ₹1.00 million provided that the unsubscribed portion in either of the aforementioned subcategories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The Allotment to each Non- Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	Proportionate, subject to the minimum Bid Lot Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details, see "***Offer Procedure***" on page 386.
Minimum Bid	[●] Equity Shares	Such number of Equity Shares so that the Bid Amount exceeds ₹0.20 million and in	For Non-Institutional Bidders applying under (i) one-third of the Non-Institutional Portion such number of Equity Shares in	[●] Equity Shares

Particulars	Eligible Employees	QIBs [1]	Non-Institutional Bidders	Retail Individual Bidders
		multiples of [●] Equity Shares.	multiples of [●] Equity Shares of face value of ₹ 5 each such that the Bid Amount exceeds ₹0.20 million. For Non-Institutional Bidders applying under (ii) two-thirds of the Non-Institutional Bidders such number of Equity Shares in multiples of [●] Equity Shares.	
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares or that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹0.50 million (net of Employee Discount, if any)	Such number of Equity Shares each in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Net Offer (excluding the Anchor Portion), subject to applicable limits	For Non-Institutional Bidders applying under (i) one-third of the Non-Institutional Portion (with application size of more than ₹0.20 million and up to ₹1.00 million) such number of Equity Shares in multiples of [●] Equity Shares each such that the Bid Amount does not exceeds ₹1.00 million. For Non-Institutional Bidders applying under (ii) two-third of the Non-Institutional Portion (with application size of more than ₹1.00 million) such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 5 each not exceeding the size of the Net Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares each in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million.
Mode of Bidding	Through ASBA Process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism. In case of Non-Institutional Bidders, ASBA process (including the UPI Mechanism), to the extent of Bids up to ₹ 0.50 million.			
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share QIBs, RIBs and Eligible Employees. For NIBs, allotment shall not be less than the minimum NIB application size.			
Trading Lot	One Equity Share			
Who can apply[3][4][6]	Eligible Employees such that the Bid Amount does not exceed ₹0.50 million (net of Employee Discount, if any)	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250.00 million, pension funds 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	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta) applying for Equity Shares such that the Bid amount does not exceed ₹ 0.20 million.

Particulars	Eligible Employees	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders
		Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, the 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 NBFCs, in accordance with applicable laws.		
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.[(5)] **In case of all other Bidders**: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism (for RIBs or individual investors bidding under the Non – Institutional Portion for an amount of more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.			

* *Assuming full subscription in the Offer*

\# *Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 0.50 million. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 0.20 million. In the eve of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Retail Category in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.*

1. *Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100.00 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million or part thereof will be permitted, subject to minimum allotment of ₹ 50.00 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100.00 million. 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the net QIB Portion.*
2. *Subject to valid Bids being received at or above the Offer Price. This Offer is made in accordance with the Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, 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 QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to all QIBs. Further, (a) not less than 15% of the Net Offer will be available for allocation to Non-Institutional Bidders, (out of which (i) one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹ 0.20 million and up to ₹ 1.00 million and (ii) two-thirds 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 Bidders) and (b)not less than 35% of the Net 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. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in Non-Institutional Portion or the Retail 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 BRLM and the Designated Stock Exchange, 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 further details, please see section titled "**Terms of the Offer**" on page 374.*
3. *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor*

Investors, see the General Information Document available on the website of the Stock Exchanges and the BRLM. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

4. *In case of joint Bids, the Bid cum Application Form were required to 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 is required in the Bid cum Application Form and such First Bidder will be deemed to have been signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, 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 Shares.*
5. *Subject to valid bids being received at or above the Offer Price, undersubscription, 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 of Bidders at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met. If there remain any balance valid Bids in the Offer, the Allotment of for the balance valid Bids such number of Equity Shares will be made towards Allotted by our Company towards the balance 10% of the Fresh Issue portion. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in "**Terms of the Offer**" on page 374.*
6. *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 Shares.*

The Bids by FPIs with certain structures as described under "***Offer Procedure - Bids by FPI***" on page 395, and having same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares allocated and Allotted to such successful Bidders (with same PAN) will be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in Non-Institutional Portion or the Retail 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 BRLM and the Designated Stock Exchange, 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 further details, see "***Terms of the Offer***" on page 374.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLM, 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 10 Working Days, in compliance with the SEBI ICDR Regulations. 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 public announcement and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of price band, the Bid lot shall remain the same.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should read the 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 BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. The Bidders should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all 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/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act relating to punishment for fictitious applications; (x) mode of making unblocking intimation /making refunds, as applicable; (xi) Designated Date; (xii) disposal of applications and electronic application of bids; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 (read with SEBI ICDR Mater Circular), had introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till 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 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was 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**”). SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Furthermore, 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 size are up to ₹0.50 million shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall 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.*

*The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“**T+3 Notification**”). Subsequently, vide the SEBI RTA Master Circular, read with the SEBI ICDR Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars.*

The Offer will be undertaken pursuant to the processes and procedures as notified in the T+3 Notification under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Further, SEBI vide the SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The SEBI RTA Master Circular has consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P2023/140 dated August 9, 2023).

Further, the SEBI ICDR Master Circular consolidated the aforementioned circulars and rescinded these circulars to the extent they relate to the SEBI ICDR Regulations. Furthermore, 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 size are up to ₹0.50 million may 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. In terms of 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).

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular and the SEBI ICDR Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.

*SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 (to the extent not rescinded by the SEBI ICDR Master Circular) ("**AV Circular**") has introduced the disclosure of audiovisual presentation of disclosures made in Offer Documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by finfluencers. Further, investors are advised to rely only on the information contained in the Offer document and Price Band Advertisement for making investment decision.*

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/Offer Closing Date, in accordance with the T+3 Notification, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking or 15% per annum of the Bid Amount. Further, in accordance with the T+3 Notification, the reduced timelines for refund of Application money has been made two days. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company, each of the Promoter Selling Shareholders and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

This 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 and is in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and Promoter Selling Shareholders, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. Any under-subscription in the Life Insurance Companies and Pension Funds category specified may be allocated to Domestic Mutual Funds. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders 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 Bidders and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Furthermore, up to [●] Equity Shares, aggregating up to ₹[●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.

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 of Bidders at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In the event of under-subscription, the 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, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue.

In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●] % of the post- Offer paid-up Equity Share capital of our Company.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, and with press releases dated June 25, 2021, read with press release dated September 17, 2021, and March 30, 2022, read with press release dated March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders using UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, in compliance with applicable laws.

Investors 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, September 17, 2021, March 30, 2022, and March 28, 2023, and any subsequent press releases in this regard.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares 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 DP ID, Client ID and PAN, and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), as applicable, shall be treated as incomplete and will be liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable law.

Phased Implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism 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 ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three 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 the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide the T+3 Notification. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of UPI Phase III, the reduced time duration shall be applicable for the Offer. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification 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.

The Offer will be made under UPI Phase III of the UPI Circular (on mandatory basis). The Offer will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

All SCSBs offering facilities for making applications in public issues shall also provide facilities to make applications using UPI. Our Company will be required to appoint SCSBs as the Sponsor Bank(s) to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall 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 UPI Circulars, 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 Circulars 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 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 relevant securities law. 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 BRLM, 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.

Further, pursuant to SEBI Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

a) a syndicate member;

b) a stock broker recognized with a registered stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

c) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

d) 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 BRLM.

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 the relevant Bidding Centres and our at our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

All ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centers only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp may be liable for rejection. UPI Bidders using UPI Mechanism, will be required to submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate Member(s), Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the UPI Bidders using 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

(ii) UPI Bidders using 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.

(iii) QIBs and Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM. 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 Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

As specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, 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 mandatory confirmation on the application monies blocked. The circular is applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA Account of the Bidder pursuant to SEBI Master Circular.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders). 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(s), as applicable at the time of submitting the Bid.

UPI Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

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 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.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLM.

The prescribed colour of the Bid cum Application Form for the 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)	[●]

Category	Colour of Bid cum Application Form*
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis (1)	[●]
Anchor Investors (2)	[●]
Eligible Employees Bidding in the Employee Reservation Portion (3)	[●]

* *Excluding electronic Bid cum Application Forms Notes:*

(1) *Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges(www.nseindia.com and www.bseindia.com).*

(2) *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.*

(3) *Bid cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion shall be available at the Registered Office of our Company*

Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding through 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.

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. Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that trading members, Syndicate Member(s), RTA and Depository Participants shall submit syndicate ASBA bids above ₹0.50 million and NII & QIB bids above ₹0.20 million through SCSBs only. 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 Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Banks 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. 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 pm on the Bid/ Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI mandate requests for blocking of 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 SMS alerts as specified in SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 2023 dated November 11, 2024. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, NPCI or the bankers to an Offer) 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 Banks and the bankers to an Offer.

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 through API integration 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.

The Sponsor Banks and Bankers to the Offer shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in circulars prescribed by SEBI, from time to time.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI and applicable law. The Offer will be made under UPI Phase III of the UPI circular.

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 daily basis and share reports with the BRLM 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 UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Banks 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 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.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

Pursuant to NSE circular dated August 3, 2022, bearing reference 25/2022 the following is applicable to all initial public offers opening on or after September 1, 2022:

a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the Offer and depository participants shall continue till further notice;

b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4:00 pm for QIBs and Non-Institutional Investors and up to 5:00 pm for Retain Individual Bidderson the initial public offer closure day on the initial public offer closure day;

d. QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their Bids; and

e. Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

Electronic registration of Bids

a. 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, subject to applicable laws;

b. On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus;

c. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST for Retail Individual Bidders and 4:00 pm for Non-Institutional Bidders and QIBs, on the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing; and

d. QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

The Sponsor Bank(s) 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 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.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares 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. The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the BRLM 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.

Participation by Promoters and Promoter Group of our Company, the BRLM and the Syndicate Members and the persons related to the Promoters, the Promoter Group, the BRLM and the Syndicate Members.

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of the allocation to be made on a proportionate basis.

Neither (i) the BRLM or any associates of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM) or pension funds sponsored by entities which are associates of the BRLM nor; (ii) any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM, no BRLM or 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 BRLM, if: (a) 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 (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM. Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

Our Promoters and the members of our Promoter Group, except to the extent of the Offered Shares by the Promoter Selling Shareholders, will not participate in the Offer. Furthermore, persons related to the Promoters and the 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 members of the 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 a Promoter or member of the Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV 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 or sector or industry specific schemes. 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 Employees

The Bid must be for a minimum of [●] Equity Shares of face value of ₹ 5 each and in multiples of [●] Equity Shares of face value ₹ 5 each thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹0.50 million (net of the Employee Discount, if any).

However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of the Employee Discount, if any). Allotment in the Employee Reservation Portion will be as detailed in the section "***Offer Structure***" on 381.

However, Allotments to Eligible Employees in excess of ₹0.20 million (net of the Employee Discount, if any) shall be considered on a proportionate basis, in the event of under-subscription in the Employee Reservation Portion, subject to the total

Allotment to an Eligible Employee not exceeding ₹0.50 million (net of the Employee Discount, if any). Subsequent under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

(i) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●]);

(ii) Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion;

(iii) In case of joint bids, the Sole Bidder or the First Bidder shall be the Eligible Employee;

(iv) Bids by Eligible Employees may be made at Cut-off Price;

(v) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any, would be considered for allocation under this portion;

(vi) The Bids must be for a minimum of [●] Equity Shares of face value [●] each and in multiples of [●] Equity Shares of face value [●] each thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹0.50 million (net of the Employee Discount, if any);

(vii) Eligible Employees bidding in the Employee Reservation Portion can Bid through the UPI Mechanism or ASBA (including syndicate ASBA) as per the SEBI ICDR Master Circular;

(viii) If the aggregate demand in this portion is less than or equal to [●] Equity Shares of face value of ₹ 5 each at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand;

(ix) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹ 0.20 million (net of Employee Discount) in the Employee Reservation Portion. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories; and

(x) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form.

(xi) Only those Bids, which are received at or above the Offer Price net of Employee Discount, if any, if any, would be considered for Allotment under this category.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of the Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of the Employee Discount, if any).

If the aggregate demand in this portion is greater than [●] Equity Shares of face value of ₹ 5 each at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "***Offer Procedure***" on page 386.

Bids by Eligible NRIs

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). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by a NRI or an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non- Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

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. 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, 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.

For further details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 408.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment. Participation of Eligible NRIs in the Offer shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. 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.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/Applicant 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/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SEBI FPI Regulations, 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 total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

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 reserves 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).

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. 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 the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) ODI which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) 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; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; (vii) Entities registered as Collective Investment Scheme having multiple share classes; (viii) Multiple branches in different jurisdictions of foreign bank registered as FPIs; (ix) Government and Government related investors registered as Category 1 FPIs; and (x) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments.

To ensure compliance with the above requirement, SEBI, pursuant to SEBI Circular no. IMD/FPIC/CIR/P/2018/114 dated July 13, 2018 and RTA Master Circular 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, may offer, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time. In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

a. such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and

b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in the Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Draft Red Herring Prospectus.*"

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of

₹250.00 million and pension funds with a 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 each case, subject to applicable law and in accordance with their respective constitutional documents), 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 MoA and AoA and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, in consultation with the BRLM 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 the terms and conditions that our Company in consultation with the BRLM may deem fit.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs 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 prescribe the investment restrictions on FVCIs,

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and 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 an investee company directly or through investment in the units of other AIF. Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. 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. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. 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. Our Company, each of the Selling Shareholders, severally and not jointly, and the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

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, each of the Selling Shareholders, severally and not jointly, or the BRLM 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 the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

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 are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves 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, as amended. and the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company 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, as per the last audited balance sheet or a subsequent balance sheet, whichever is less.

However, 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, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid-up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, 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 applications.

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, our Company, in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 ("**IRDA AFIFI Regulations**") 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. Insurance companies are entitled to invest only in other listed insurance companies and Bidders are advised to refer to the IRDA AFIFI 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 Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds 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, subject to applicable law, a certified copy of a 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 BRLM reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, 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 BRLM;

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 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 ₹ 100.00 million;

3. 33.33% of the Anchor Investor Portion shall be reserved for Domestic Mutual Funds; and 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from Domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified may be allocated to Domestic Mutual Funds;

4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, and will be completed on the same day;

5. Our Company, in consultation with the BRLM will finalize 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 two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and (c) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor;

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges;

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 Offer Price and the difference amount shall not be refunded to the Anchor Investors;

9. Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% Equity Shares allotted to Anchor Investors shall be locked–in for a period of 90 days from the date of Allotment, whereas, the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment;

10. Neither the (a) BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM or pension fund sponsored by entities which are associate of the BRLM nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. For details, see "***Offer Procedure***" on page 386. Further, no person related to the Promoters or Promoter Group shall apply under the Anchor Investors category;

11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids; and

12. For more information, see the "***General Information***" on page 67. The information set out above is given for the benefit of the Bidders. Our Company, each of the Selling Shareholders, severally and not jointly, and the BRLM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. 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 that can be held by them under applicable law or regulations, or as will be specified in the Draft Red Herring Prospectus and the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three 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 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 BRLM 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 will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

QIB Bidders and Non-Institutional Bidders are not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date.

Do's:

1. Ensure that your PAN is linked with Aadhaar and you are in compliance with the notification of the Central Board of Direct Taxes dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021, read with press release dated September 17, 2021. CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023;

2. 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;

3. Ensure that you have Bid within the Price Band;

4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

5. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

6. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;

8. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant 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;

9. 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 ASBA Bidders other than UPI Bidders);

10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

11. 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;

12. The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;

13. 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;

14. 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 the application is also appearing in the https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 link for available SCSBs on 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;

15. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the Designated Branches of SCSBs or the relevant Designated Intermediary, as applicable;

16. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Ensure sufficient balance in the relevant ASBA Account;

19. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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 http://www.sebi.gov.in);

20. 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 Banks, 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, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

21. 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 beneficial 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;

22. Ensure that the Demographic Details are updated, true and correct in all respects;

23. 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;

24. 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;

25. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

26. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

27. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

28. 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;

29. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

30. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. IST of the Working Day immediately after the Bid/ Offer Closing Date;

31. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;

32. 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;

33. Bids by Eligible NRIs for a Bid Amount of less than ₹0.20 million would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the non-institutional category for allocation in the Offer;

34. RIBs 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, an 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 Banks to block the Bid Amount mentioned in the Bid Cum Application Form;

35. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) 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);

36. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner; and

37. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

4. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

6. Do not submit the Bid for an amount more than funds available in your ASBA Account;

7. 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;

8. In case of ASBA Bidders, do not submit more than one ASBA Form ASBA Account;

9. If you are an UPI Bidder, 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 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 Equity Shares more than what is specified for each category;

21. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/ Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);

22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Draft Red Herring Prospectus;

23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;

24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder, do not submit the ASBA Form directly with SCSBs;

25. If you are an 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;

26. Do not Bid if you are an OCB;

27. UPI Bidders 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 is liable to be rejected;

28. Do not submit the Bid cum Application Forms to any non-SCSB bank;

29. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);

30. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Bidders);

31. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and

32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time is liable to be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

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:

a. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

b. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

c. Bids submitted on a plain paper;

d. Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

e. 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(s));

f. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;

g. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

h. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

i. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

j. Bids submitted without the signature of the First Bidder or Sole Bidder;

k. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

l. 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;

m. GIR number furnished instead of PAN;

n. Bids by RIBs with Bid Amount of a value of more than ₹ 0.20 million;

o. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

p. Bids accompanied by stock invest, money order, postal order, or cash; and

q. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On Bid/ Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

Further, in case of any pre- Offer or post- Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see "***General Information***" and "***Our Management***" on pages 67 and 224, respectively.

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/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, pursuant to T+3 Notifications, *the reduced timelines for refund* *of Application money has been made two days.*The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For helpline details of the BRLM pursuant to the SEBI ICDR Master Circular, please see the section titled "***General Information – Book Running Lead Manager***" on page 71.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchanges, along with the BRLM 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 offered through the Offer through the Draft Red Herring Prospectus and the Prospectus 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 Net Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders 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 to Anchor Investors shall be on a discretionary basis.

The allotment of Equity Shares to each RIBs shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Net Offer shall be available for allocation to NIBs. The Equity Shares available for allocation to NIBs under the Non - Institutional Portion, shall be subject to the following: (i) one-third of the portion available to NIBs 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 NIBs shall be reserved for applicants with an 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 NIBs. The allotment to each NIB shall not be less than ₹ 0.20 million, subject to the availability of Equity Shares in the Non -Institutional Portion, and the remaining Equity Shares if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company, in consultation with the BRLM will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: "[●]"

b. 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 Selling Shareholders, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Draft Red Herring Prospectus with the RoC, publish a pre- Offer and Price Band advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation. In the pre- Offer and Price Band advertisement, we shall state the Bid/ Offer Opening Date and the 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.

Allotment advertisement

The Allotment advertisement shall be uploaded on the websites of our Company, BRLM and Registrar to the Offer, before 9.00 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchanges, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from the Stock Exchanges is received post 9:00 p.m. IST on that date, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLM and Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation.

The information set out above is given for the benefit of the Bidders/Applicants. Our Company, each of the Selling Shareholders, severally and not jointly, and the BRLM 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. Bidders/Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

a. Our Company, the Selling Shareholders, the Underwriters and the Registrar intend to enter into an Underwriting Agreement after the finalisation of the Offer Price, but prior to filing of the Red Herring Prospectus; and

b. After signing the Underwriting Agreement, a Red Herring Prospectus will be filed with the RoC in accordance with applicable law. The Red Herring Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares 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). For more information, see "***Terms of the Offer***" on page 374.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI;
- 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;
- it shall not Offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Offer Closing Date or such other 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;

- Promoters' contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- that if our Company or the Selling Shareholders 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 two Working Dats 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 shall be informed promptly;

- that if our Company and/or the Selling Shareholders withdraw the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with SEBI, in the event a decision is taken to proceed with the Offer subsequently; and

- Except for the Pre – IPO Placement allotment of Equity Shares pursuant to the Fresh Issue, no further issueof Equity Shares shall be made till the Equity Shares Offered through the Draft Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, specifically undertakes and/or confirms the following in respect to itself as a Selling Shareholder and their respective portion of the Offered Shares:

- that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

- the Selling Shareholder is the legal and beneficial owner of their respective portion of the Offered Shares with valid and marketable title, and shall be transferred pursuant to the Offer, free and clear of any encumbrances;

- the Selling Shareholder shall transfer their respective portion of the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;

- the Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer; and

- the Selling Shareholder shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from the Stock Exchanges in accordance with applicable law.

Utilisation of Offer Proceeds

Our Company specifically confirm that (i) 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, (ii) details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Gross Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and (iii) details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who –*
a. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
b. *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*
c. *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 ₹1.00 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 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 GoI 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. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made.

The GoI makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

Pursuant to the FDI Policy, FDI of upto 100% foreign investment under the automatic route is currently permitted for our Company. The applicants are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

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 FDI 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 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 394 and 395, respectively.

As per the existing policy of the GoI, OCBs cannot participate in this Offer.

In terms of Press Note 3 of 2020, dated April 17, 2020 ("Press Note"), issued by the DPIIT, the FDI Policy and the FEMA Non-Debt Instruments Rules have been amended to state that all 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 ofany 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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 Offerin writing about such approval along with a copy thereof within the Bid/ Offer Period.

Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In terms of the FEMA Non-debt Instruments Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

The Equity Shares 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 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 Offer and sales are made. The Equity Shares 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.

The above information is given for the benefit of the Bidders. Our Company, each of the Selling Shareholders, severally and not jointly, and the BRLM 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. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

(COMPANY LIMITED BY SHARES)

(Incorporated under the Companies Act, 1956)

[2]ARTICLES OF ASSOCIATION

OF

KAY JAY FORGINGS LIMITED

A. INTERPRETATION

1.1. In these regulations-

(a) "**the Act**" means the Companies Act, 2013.

(b) **"the seal"** means the common seal of the company.

(c) **"Auditor(s)"** shall mean and include those persons appointed as such for the time being by the Company.

(d) **"Beneficial Owner"** shall mean beneficial owner as defined in Clause (a) of sub-section (1) of Section 2 of the Depositories Act.

(e) **"Board" or "Board of Directors"** shall mean the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.

(f) **"Board Meeting"** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

(g) **"Capital" or "Share Capital"** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

(h) **"Company"** or **"this Company"** shall mean Kay Jay Forgings Limited.

(i) **"Committees"** shall mean a committee constituted in accordance with Article 22.

(j) **"Debenture"** shall have the meaning assigned to it under the Act.

(k) **"Depositories Act"** shall mean The Depositories Act, 1996 and shall include anystatutory modification or re-enactment thereof.

(l) **"Depository"** shall mean a depository as defined in Clause (e) of sub-section (1) of Section 2 of the Depositories Act.

(m) **"Director"** shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed, from time to time, in accordance with law and the provisions of these Articles.

(n) **"Dividend"** shall include interim dividends and final dividends paid to the Shareholders.

(o) "**Equity Share Capital**" shall mean the total issued and paid-up equity share capital of the Company.

(p) "**Equity Shares**" shall mean the equity shares of the Company having a face value of such amount as specified in Clause V of the Memorandum of Association.

(q) **"Executor"** or **"Administrator"** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorising the holder thereof to negotiate or transfer the Securities of the deceased Shareholder

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[2] *Substituted by adoption of new set of Articles of Association as per the provisions of Section 14 of the Companies Act, 2013 by Special Resolution passed at the Annual General Meeting held on August 16, 2025.*

and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

(r) **"Extraordinary General Meeting"** shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.

(s) "**Financial Year**" shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

(t) "**Independent Director**" shall mean an independent director as defined under the Act and under the SEBI Listing Regulations, as applicable.

(u) **"India"** shall mean the Republic of India.

(v) **"Law"** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, (ii) governmental approvals or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing by any governmental authority having jurisdiction over the matter in question, (iv) rules, policy, regulations or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

(w) "**Managing Director**" shall have the meaning assigned to it under the Act.

(x) **"MCA"** shall mean the Ministry of Corporate Affairs, Government of India.

(y) **"Memorandum" or "MoA" or "Memorandum of Association"** shall mean the memorandum of association of the Company, as amended from time to time.

(z) **"Office"** shall mean the registered office for the time being of the Company.

(aa) "**Officer**" shall have the meaning assigned thereto by Section 2(59) of the Act.

(bb) **"Ordinary Resolution"** shall have the meaning assigned thereto by Section 114 of the Act.

(cc) **"Paid up"** shall include the amount credited as paid up.

(dd) **"Person"** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

(ee) **"Promoters"** shall mean persons identified in accordance with the definition ascribed to such term in the Act and the regulations prescribed by SEBI, as applicable.

(ff) **"Register of Members"** shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.

(gg) "**Registrar**" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

(hh) "**Rules**" shall mean the rules made under the Act and notified from time to time.

(ii) "**Seal**" shall mean the common seal(s) for the time being of the Company.

(jj) "**SEBI**" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

(kk) "**SEBI Listing Regulations**" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

(ll) "**Secretary**" shall mean a company secretary as defined in Clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Company to perform the functions of a company secretary under the Act.

(mm) “**Securities**” shall mean any Equity Shares and/or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

(nn) “**Share Equivalents**” shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.

(oo) “**Shareholder**” shall mean any shareholder of the Company, from time to time.

(pp) “**Shareholders’ Meeting**” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

(qq) “**Special Resolution**” shall have the meaning assigned to it under Section 114 of the Act.

(rr) “**Transfer**” shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word “Transferred” shall be construed accordingly.

(ss) “**Tribunal**” shall mean the National Company Law Tribunal constituted under Section 408 of the Act.

B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

(i) References to a party shall, where the context permits, include such party’s respective successors, legal heirs and permitted assigns.

(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(iii) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.

(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.

(vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any Article of these Articles, unless expressly stated otherwise.

(vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(viii) A reference to a party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(x) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA.

In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

2. PUBLIC COMPANY

(a) The Company is a Public Limited Company within the meaning of Section 2(71) of the Companies Act, 2013 and means a company which,—

(i) Is not a Private Company;

(ii) 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.

3. SHARE CAPITAL AND VARIATION OF RIGHTS

(a) The authorized Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.

(b) The Company has power, from time to time, to increase its authorised or issued and paid up Share Capital in accordance with the Act, applicable Law and these Articles.

(c) [3]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 and with the sanction of the Company in a General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold or transferred or for any services rendered by the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call shares shall not be given to the person or persons without the sanction of the Company in the General Meeting.

(d) The Company shall have the power to increase, sub- divide, consolidate, reduce or re-classify the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the provisions of the Companies Act, 2013 and the Applicable Law and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by these regulations.

(e) If the Company shall offer any of its shares to the public for subscription, such offer shall be made in accordance with the provisions of Part I of Chapter III and other relevant provisions of the Act.

(f) Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment or part-payment for any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or for goods or machinery supplied or to be supplied for service rendered or to be rendered for technical assistance or know-how made or to be made available to the Company or the conduct of its business, and shares which may be so allotted may be issued as fully or partly paid-up otherwise than in cash and, if so issued, shall be deemed to be fully or partly paid as the case may be.

(g) The Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company.

(h) The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

[3] ***Amended by passing special resolution at the Extra-ordinary General Meeting held on February 24, 2026.***

(a) Equity share capital:

(i) with voting rights; and / or

(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

(b) Preference share capital.

(i) Subject to the provisions of Section 55 of the Act and rules made thereunder, the Company shall have the power to issue preference shares which are or at the option of the Company are liable to be redeemed within such period as provided in the Act from the date of issue and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

(j) On the issue of Redeemable Preference Shares the following provisions shall take effect:

a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares for the purpose of the redemption.

b) No such shares shall be redeemed unless they are fully paid.

c) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium account before the shares are redeemed.

d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise be available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the share redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

(k) A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

(l) 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.

(m) 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.

4. FURTHER ISSUE OF SHARES

(a) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

1. (i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in sub-clause (ii) to (iv) below;

(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under the Act or the rules made thereunder, or other applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company;

2. to employees under any scheme of employees' stock option subject to special resolution passed by the shareholders of the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

3. to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to compliance with such conditions as may be prescribed under the Act and the rules made thereunder;

Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company having an option to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a special resolution passed by the shareholders of the Company in a general meeting. Notwithstanding anything contained in Article 16 (C) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the government pass such order as it deems fit. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

Notwithstanding anything contained in Section 53 of the Act but subject to the provisions of section 54 read with rules made there under with the regulations made by the SEBI, the Company may issue Sweat Equity Shares of a class already issued in accordance with the provisions of the Act and the Regulations made by the SEBI.

(b) The Company may issue Debentures or other forms of securities, as defined under the Securities Contracts (Regulation) Act, 1956 and Rules issued thereunder in compliance with the provisions of the Act, SEBI Regulations and other laws, as applicable to the Company.

5. REGISTERS TO BE MAINTAINED BY THE COMPANY

(a) The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

i. A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

ii. A Register of Debenture holders; and

iii. A Register of any other security holders.

(b) The Statutory Registers shall be kept and maintained in the manner prescribed under the Act.

6. SHARE CERTIFICATE

a. Issue of Certificate:

1. Unless the shares have been issued in dematerialized form, every person whose name is entered as a member in the register of members shall be entitled to receive within two (2) months after incorporation, in case of subscribers to the memorandum or after allotment or within one (1) month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall be provided:

   i one or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or

   ii several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

2. Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the Company secretary, wherever the Company has appointed a Company secretary.

   Provided that in case the Company has a Seal, it shall be affixed in the presence of the persons required to sign the certificate.

3. 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.

4. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

5. A duplicate certificate of shares may be issued, if such certificate:

   (i) is proved to have been lost or destroyed; or

   (ii) has been defaced, mutilated or torn; and is surrendered to the Company.

6. The Company shall be entitled to dematerialize its existing Shares, rematerialize its Shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the regulations framed there under, if any.

7. 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. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder. Particulars of every share certificate issued shall be entered in the register of members against the name of the person, to whom it has been issued, indicating the date of issue. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.

8. The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other Securities including debentures (except where the Act otherwise requires) of the Company.

9. When a new share certificate has been issued in pursuance of sub-article (h) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

10. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the

Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

11. The Company Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (j) of this Article.

12. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

13. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

14. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognize any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or 7 implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

7. LIEN

(a) The company shall have a first and paramount lien-

i. 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

ii. 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.

(b) [4]Fully paid shares/ debentures shall be free from all lien and in the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares/ debentures.

(c) 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-

i. unless a sum in respect of which the lien exists is presently payable; or

ii. 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.

(d) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(e) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(f) 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.

(g) 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.

[4] ***Substituted by passing special resolution at the Extra-ordinary General Meeting held on February 24, 2026.***

(h) 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.

(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.

(j) 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.

(k) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other Securities including debentures of the Company.

8. CALLS ON SHARES

(a) 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.

(b) 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.

(c) A call may be revoked or postponed at the discretion of the Board.

(d) 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 instalments.

(e) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(f) (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 percent 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.

(g) 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.

(h) 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.

(i) The Board-

1. 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

2. 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 percent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

3. The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, including debentures, of the Company, to the extent applicable.

(j) if by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

(k) All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

(l) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

(m) The provisions of these Articles relating to calls shall mutatis mutandis apply to any other Securities including debentures of the Company.

9. TRANSFER OF SHARES

(a) 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.

iii. In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless:

a. the instrument of transfer is in writing and the form shall be duly executed by or on behalf of both the transferor and transferee as prescribed in rules made under sub-section (1) of Section 56 of the Act;

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

b. the instrument of transfer is in respect of only one class of shares.

(b) The Board may, subject to the right of appeal conferred by section 58 decline to Register-

i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

ii. any transfer of shares on which the company has a lien.

iii. any transfer of shares where any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the shares out of the name of the transferor; or

iv. any transfer of shares where the transferor objects to the transfer provided he serves on the Company within a reasonable time a prohibitory order of a court of competent jurisdiction.

(c) The Board may decline to recognize any instrument of transfer unless-

(d) the instrument of transfer is in the form as prescribed in rules made under sub-section i. of section 56;

(e) 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

(f) the instrument of transfer is in respect of only one class of shares.

(g) 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.

(h) The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Notwithstanding anything to the contrary stipulated in these Articles, the restrictions set out herein in relation to the transfer of shares of the company shall not apply to any transfer of shares made pursuant to the enforcement of rights under or in connection with any pledge agreement entered into by the shareholders of the Company, and the Board shall not decline or suspend such transfer and shall register and acknowledge any such transfer of shares of the company.

Subject to Section 58 and 59 of the Act, these articles and other applicable provisions of the Act or any other law for the time being in force, the Directors with sufficient cause, may refuse to register the transfer of, by operation of law of the right to, any shares or interest of any person. The Company shall, within thirty days from the date on which the instrument of transfer, was delivered to the Company, send a notice of refusal to the transferee and transferor, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

No fee shall be charged for registration of transfer.

There shall be a common form of transfer in accordance with the Act and rules and as per the requirement of the stock exchanges.

10. TRANSMISSION OF SHARES

a) 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 recognized 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.

b) 1. 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—

i. to be registered himself as holder of the share; or

ii. to make such transfer of the share as the deceased or insolvent member could have made.

2. 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.

3. 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.

4. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

5. 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.

c) 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:

d) 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.

e) [5]The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice; and give effect thereto if the Board shall so think fit.

No fee shall be charged for registration of transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.

The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

11. DEMATERIALIZATION OF SECURITIES

(a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, 1996 ("Depository Act") and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

(c) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(d) All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(e) Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(f) Register and Index of Beneficial Owners:

i. The Company shall cause to be kept a register and index of members with details of shares and debentures held in Physical and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

ii. The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(g) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name

[5] ***Amended by passing special resolution at the Extra-ordinary General Meeting held on February 24, 2026.***

of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(h) Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

i. Transfer of Securities:

(a) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(b) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

j. Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

k. Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

l. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

m. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

n. Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

12. FORFEITURE OF SHARES

a) 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.

b) The notice aforesaid shall—

i. 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

ii. 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.

c) 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.

(c) (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.

(d) (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.

f) (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.

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

g) 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.

The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other Securities including debentures of the Company.

13. ALTERATION OF CAPITAL

(a) 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.

(b) Subject to the provisions of section 61, the company may, by ordinary resolution,-

i. increase its Share Capital by such amount as it thinks expedient;

ii. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

iii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

iv. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and;

(c) 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 and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

(d) Where shares are converted into stock,-

i. 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.

(e) 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 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.

(f) 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.

(g) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,-

i. its share capital;

ii. any capital redemption reserve account; or

iii. any share premium account.

14. CAPITALISATION OF PROFITS

(a) The company in general meeting may, upon the recommendation of the Board, Resolve-

i. 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

ii. 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.

(b) 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-

i. paying up any amounts for the time being unpaid on any shares held by such members respectively;

ii. 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;

iii. partly in the way specified in sub-clause (A) and partly in that specified in sub- clause (B);

(c) 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;

(d) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

(e) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

i. 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

ii. generally do all acts and things required to give effect thereto.

(f) The Board shall have power-

i. 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 infractions; and

ii. 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;

(g) Any agreement made under such authority shall be effective and binding on such members.

15. BUY-BACK OF SHARES

a. 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.

16. GENERAL MEETINGS

a. **Annual General Meeting:**

   i. In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings.

   ii. Subject to the provisions of the Act, an Annual General Meeting of the Members of the Company shall be held every year within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next.

   iii. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

   iv. Every Annual General Meeting shall be called during business hours, that is, between such time as prescribed in the Act, on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.

b. All general meetings other than annual general meeting shall be called extraordinary general meeting.

c. The Board may, whenever it thinks fit, call an extraordinary general meeting.

d. 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.

17. PROCEEDINGS AT GENERAL MEETINGS

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.

ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

   (b) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

   (c) 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 themeeting.

   (d) 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.

18. ADJOURNMENT OF MEETING

   (i) The Chairperson may, with the consent of any meeting at which a quorum is resent, 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.

19. VOTING RIGHTS

(a) Subject to any rights or restrictions for the time being attached to any class or classes of shares,-

(b) on a show of hands, every member present in person shall have one vote; and

(c) 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.

A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

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.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive

(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.

(d) 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.

(e) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

(f) 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.

(g) (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.

20. PROXY

(a) 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.

(b) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

(c) 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:

(d) 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.

21. BOARD OF DIRECTORS

i. Number of Directors:

(a) Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors as per the provisions of the Act.

(b) Subject to Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.

(c) The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

ii. Chairperson of the Board of Directors:

(a) The members of the Board shall elect any one of them as the Chairperson of the Board. The Chairperson shall preside at all meetings of the Board and the General Meeting of the Company. The Chairperson shall have a casting vote in the event of a tie.

(b) 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 or is unwilling to act as Chairperson, the directors present may choose one of them to be Chairperson of the meeting.

iii. Appointment of Alternate Directors:

(a) Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India.

(b) The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairperson) during the Original Director's absence.

(c) An Alternate Director appointed under this Article 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 office if and when the Original Director returns to India.

(d) If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

iv. Casual Vacancy and Additional Directors:

(a) Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 107

(b) Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

Independent Directors: The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law.

v. Nominee Directors:

(a) The Board may appoint any person as a director nominated by any Public Financial Institution/Corporation/Institution/body corporate in pursuance of the provisions of any Law for the time being in force or of any agreement by virtue of its shareholding in the Company.

(b) At the option of the Public Financial Institution/Corporation/Institution/body corporate such Nominee Director shall not be liable to retirement by rotation.

(c) Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

vi. No Qualification Shares for Directors: A Director shall not be required to hold any qualification shares of the Company.

vii. Remuneration of Directors:

(a) Subject to the applicable provisions of the Act, the Rules including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

(b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board or any Committee thereof attended by him.

(c) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

(d) If any Director shall be called upon to perform extra services or to make any special exertion or efforts for any of the purposes of the Company or to give special attention to the business of the Company, which expression, shall include work done as a member of a Committee of the Board, the Board may, subject to the provisions of Sections 197 and 188 of the Act, remunerate the Director so doing, either by a fixed sum or otherwise; and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

(e) 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:

(i) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(ii) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

viii. Disqualification and Vacation of Office by a Director:

(a) A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act.

(b) Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.

(c) Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

ix. Related Party Transactions and Disclosure of Interest: The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

x. Retirement of Directors by Rotation:

(a) At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.

(b) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

(c) Neither an ex-officio Director nor an additional Director appointed by the Board under Articles hereof shall be liable to retire by rotation within the meaning of this Article.

xi. Continuing Director: 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.

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

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.

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.

The regulation of quorum of meeting of Board shall apply mutatis mutandis to the meeting of Committee unless otherwise decided by the Board.

22. 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 of association 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 laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association 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.

i. Power to be exercised by the Board only by Meeting:

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans; and

(g) any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

ii. Borrowing Powers:

(a) Subject to the provisions of the Act and the Rules, the Board of directors may, from time to time at its discretion by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance or calls or otherwise, and generally raise or borrow or secure the payment of any sum or sum of moneys for the purpose of the Company not exceeding the aggregate of the Paid-up capital of the Company and its reserves.

(b) Power of the Board to borrow Provided, however, where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of paid-up capital and free reserves as defined under the Act, the Directors shall not borrow such monies without the consent of the Company in general meeting by way of resolution prescribed under the Act.

31. PROCEEDING OF THE BOARD

(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(b) Any Director of a company may, at any time, summon a Meeting of the Board, and the Company Secretary or where there is no Company Secretary, any person authorised by the Board in this behalf, on the requisition of a Director, shall convene a Meeting of the Board, in consultation with the Chairperson or in his absence, the Managing Director or in his absence, the Whole-time Director, where there is any.

(c) The quorum for a Board meeting shall be as provided in the Act.

(d) The participation of directors in a meeting of the Board may be either in person or through Video Conferencing or Audio Visual Means or Teleconferencing, as may be prescribed by the Rules or permitted under law.

(e) (a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

(f) (a) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

(b) 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 members present may choose one of their members to be Chairperson of the meeting.

(g) (a) A Committee may meet and adjourn as it thinks fit.

(b) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.

(c) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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.

Validity of acts Done by Board or a Committee: 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.

Resolution by Circulation: Save as otherwise expressly provided in the Act, a resolution in writing, approved by 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.

32. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

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.

A provision of the Act or these regulations requiring or authorizing 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.

23. THE SEAL

(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.

24. DIVIDENDS AND RESERVE

The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

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.

(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.

(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.

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.

(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.

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.

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.

No dividend shall bear interest against the company.

25. UNPAID OR UNCLAIMED DIVIDEND

If the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund.

No unpaid or unclaimed dividend shall be forfeited by the Board before the claim becomes barred by applicable law.

26. ACCOUNTS

(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.

27. WINDING UP

Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(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.

28. INDEMNITY

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.

33. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of the Companies Act, 2013, as may be applicable from time-to-time.

34. GENERAL POWER

Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein.

If pursuant to the approval of these Articles, if the Act requires any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a Articles requiring a special resolution to be passed for such matter.

SECTION IX: 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 have been entered or are to be entered into by our Company. Copies of the contracts and also the documents for inspection referred to hereunder, will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC, and will also be available on the website of our Company at www.kayjayforgings.com.

Physical copies of the above-mentioned documents referred to hereunder may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days 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 with the provisions of the Companies Act and other applicable law.

Material contracts to the Offer

1. Offer Agreement dated March 30, 2026 entered into among our Company, the Selling Shareholders and the BRLM.

2. Registrar Agreement dated March 30, 2026 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Banks Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLM, the Syndicate Members, the Bankers to the Offer, and the Registrar to the Offer.

4. Share Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLM, the Registrar to the Offer and the Syndicate Members.

6. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended from time to time.

2. Certificate of incorporation dated August 5, 1983 issued by Registrar of Companies, Punjab, H.P & Chandigarh.

3. Certificate of registration of the order of the Company Law Board confirming the transfer of the registered office from one state to another, issued by the Additional Registrar of Companies, Delhi & Haryana on September 22, 1987.

4. Fresh certificate of incorporation dated December 19, 2024, issued by the Registrar of Companies, Central Processing Centre, upon conversion of our Company from a private limited to a public limited company in the name of 'Kay Jay Forgings Limited'.

5. Resolution dated March 5, 2026 passed by the Board authorising the Offer and other related matters.

6. Resolution dated March 6, 2026 passed by the Shareholders authorising the Fresh Issue and other related matters.

7. Resolution dated March 30, 2026 passed by the Board approving this Draft Red Herring Prospectus and Draft Abridged Prospectus.

8. Resolution of our Board dated March 5, 2026 taking on record the consent and authorization of each of the Selling Shareholders to, severally and not jointly, participate in the Offer for Sale.

9. Consent letters and authorization from the Selling Shareholders consenting to participate in the Offer for Sale.

10. Resolution dated March 30, 2026, passed by the Audit Committee approving the KPIs.

11. Resolution dated March 30, 2026, passed by the Board of Directors of our Company approving the Objects of the Offer.

12. Employment agreement dated September 8, 2025 entered into between our Company and Gopal Krishan Kothari.

13. Employment agreement dated September 9, 2025 entered into between our Company and Amit Kothari.

14. Employment agreement dated September 8, 2025 entered into between our Company and Naveen Behl.

15. Certified copy of the Materiality Policy of our Company adopted pursuant to a resolution of our Board dated March 5, 2026.

16. The report titled "*Industry Research Report on Precision Forged and Machined Components in the Automotive Industry*" dated March 25, 2026 prepared and issued by CARE Analytics and Advisory Private Limited.

17. Consent letter dated March 25, 2026, issued by CARE Analytics and Advisory Private Limited with respect to the report titled "*Industry Research Report on Precision Forged and Machined Components in the Automotive Industry*" and commissioned exclusively for the purpose of the Offer and paid for by our Company pursuant to an engagement letter dated May 12, 2025 with CARE Analytics and Advisory Private Limited.

18. The examination report dated March 5, 2026 of the Statutory Auditors on the Restated Financial Information included in this Draft Red Herring Prospectus.

19. Consent dated March 30, 2026 from our Statutory Auditors, namely M/s. Goyal Sanjay & Associates, Chartered Accountants, holding a valid peer review certificate from ICAI, 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 as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 5, 2026 on our Restated Financial Information; and (ii) the statement of possible special tax benefits available to the Company, and its shareholders under the direct and indirect laws in India dated March 30, 2026, included in this Draft Red Herring Prospectus, (iii) the certificates issued in connection with the Offer in their capacity as the Statutory Auditor of our Company, as included in this Draft Red Herring Prospectus 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 the U.S. Securities Act.

20. Report issued by the Statutory Auditor dated March 30, 2026 on the statement of possible special tax benefits available to our Company and Shareholders.

21. Consent dated March 30, 2026 from the independent practicing company secretary, M/s H. S. Nijher & Associates, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in their capacity as practicing company secretary to our Company in connection with the secretarial search report dated March 30, 2026 issued by them in connection with certain untraceable corporate records of our Company, certain details of which have been included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

22. Consent dated March 30, 2026 from Deepankar Sharma, independent chartered engineer, to include his name as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated March 30, 2026 in relation to the Company's manufacturing capacities and capacity utilisation at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus.

23. Consent dated March 30, 2026 from RBSA Advisors LLP, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in their capacity as independent consultant to our Company in relation their project report dated March 30, 2026, certain details of which have been included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

24. Consents of the Selling Shareholders, the BRLM, the Registrar to the Offer, the Syndicate Members, Bankers to the Company, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s) and Sponsor Bank(s), Monitoring Agency, the legal counsel to the Offer, our Directors, Promoters and the Company Secretary and Compliance Officer, to act in their respective capacities.

25. Copies of annual reports of our Company for Fiscal 2025, Fiscal 2024 and Fiscal 2023.

26. Tripartite agreement dated January 16, 2025, among our Company, NSDL and the Registrar to the Offer.

27. Tripartite agreement dated March 6, 2025, among our Company, CDSL and the Registrar to the Offer.

28. Certificate dated March 30, 2026 issued by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, certifying the key performance indicators of our Company.

29. Certificate dated March 30, 2026 issued by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, certifying the (i) average cost of acquisition of Equity Shares held by our Promoters

and Selling Shareholders; (ii) weighted average price at which the equity shares were acquired by our Promoters and Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus; (iii) details of acquisition of equity shares in the last three years by Promoters, members of Promoter Group, Selling Shareholders and Shareholder(s) with nominee director rights or other special rights; and (iv) weighted average cost of acquisition of all Equity Shares transaction in the three years, 18 months and one year preceding the date of this Draft Red Herring Prospectus.

30. Certificate dated March 30, 2026 issued by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, with respect to the outstanding dues to creditors and micro, small and medium enterprises.

31. Certificate dated March 30, 2026 issued by, M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N, certifying the basis for Offer Price of our Company.

32. Certificate dated March 30, 2026 issued by M/s. Goyal Sanjay & Associates, Chartered Accountants, having firm registration number 010083N with respect to financial indebtedness of our Company.

33. Due diligence certificate dated March 30, 2026 issued by the BRLM to SEBI.

34. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

35. Final observation letter bearing number [●] dated [●] issued by SEBI.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Director of the Company

Gopal Krishan Kothari

(Chairman & Managing Director)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Director of the Company

Naveen Behl

(Whole-time Director)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Director of the Company

Amit Kothari

(Executive Director)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Director of the Company

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Pankaj Periwal

(Independent Director)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Director of the Company

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Mohina

(Independent Director)

Place: Delhi

Date: March 30, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Director of the Company

Jatender Kumar Mehta

(Independent Director)

Place: Delhi

Date: March 30, 2026

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements are true and correct.

Signed by the Chief Financial Officer of the Company

Ashok Bansal

(Chief Financial Officer)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I, Gopal Krishan Kothari, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Signed by the Promoter Selling Shareholder

Gopal Krishan Kothari

(Promoter Selling Shareholder)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I, Amit Kothari, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Signed by the Promoter Selling Shareholder

Amit Kothari

(Promoter Selling Shareholder)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

I, Madhu Kothari, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, 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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Madhu Kothari

(Promoter Group Selling Shareholder)

Place: Ludhiana

Date: March 30, 2026

DECLARATION

We, G K Kothari & Sons, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and the Equity Shares being offered by us in the Offer for Sale, are true and correct. We assume no responsibility for any other statements, disclosures or undertakings, including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Signed for and on behalf of Promoter Group Selling Shareholder

For and on behalf of G K Kothari & Sons

(Promoter Group Selling Shareholder)

Place: Ludhiana

Date: March 30, 2026